

TARA MCKELVEY: AL-JAZEERA GOES TO WASHINGTON

THE AMERICAN Prospect

LIBERAL INTELLIGENCE

JANUARY/FEBRUARY 2007

Borosage:
The Conservative
Collapse

Polakow-Suransky:
Carter on Palestine

RISING STARS

Can new Democratic governors
like **Deval Patrick** revive
progressivism in the states?

BY EZRA KLEIN



SPECIAL REPORT: BUILDING GREEN IN THE CITIES

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JANUARY/FEBRUARY 2007
VOLUME 18 • NUMBER 1

THE AMERICAN Prospect

LIBERAL INTELLIGENCE

*"America has believed that in
differentiation, not in uniformity,
lies the path of progress."*

— LOUIS BRANDEIS

FEATURES

REPORT

23 Taking Back the States *by Ezra Klein*

It wasn't just Congress that Democrats recaptured in November. They also won many of the statehouses they lost in 1994. And new governors like Massachusetts' Deval Patrick, New York's Eliot Spitzer, and Ohio's Ted Strickland are poised to reinvent liberalism.



ANALYSIS

20 Rejecting the Right *by Robert Borosage*

A yawning gap has opened between the worldview of American conservatives and that of their countrymen. A survey of polling shows that on Iraq, the economy, and social policy, moderates agree with liberals, and conservatives agree with themselves.

PHOTO ESSAY

24 Murder and Migration *by David Bacon*

The United States may have signed a trade accord with Colombia, but for Afro-Colombians, foreign investment has brought little besides misery and death.

SPECIAL REPORT

A1 Emerald Cities: The Promise of Green Development

An in-depth look at the connection between environmental goals, the new urbanism, and the quest for affordable housing. Includes a roundtable discussion with *Bart Harvey* and *Frances Beinecke* as well as articles by *Neal Peirce*, *Georges C. Benjamin*, *Jill Brooke*, *Peter Dreier* and *Beth Steckler*, *Joan Fitzgerald*, and *Kellie Lunney*. (We gratefully acknowledge the underwriting support of this special supplement by Enterprise Community Partners and Bank of America.)

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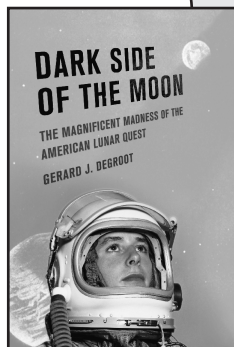
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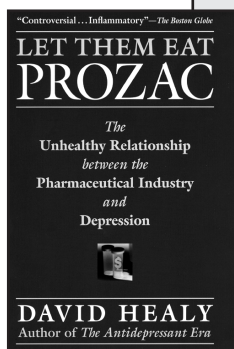
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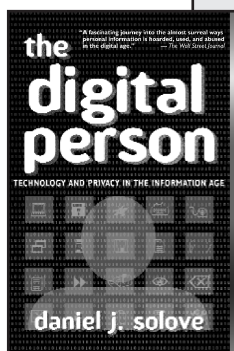
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DISPATCHES

- 11 **Doctoring Health Care, I** *by Barbara T. Dreyfuss*
Democrats can do some fixes, but mainly they'll lay the groundwork for (they hope) Bush's Democratic successor.
- 13 **Doctoring Health Care, II** *by Robert A. Berenson*
The real Medicare problem isn't Part D, but the subsidy of private plans that undermine Medicare itself.
- 16 **Arms Dealers to the World** *by Bradford Plumer*
The defense industry is making a killing on exporting arms, and now demanding less oversight.
- 17 **The Little Pill That Could** *by Ann Friedman*
RU-486 not only induces abortions but may also treat cancer—which would ensure it remains available.

COLUMNS

- 3 **Prospects: The Way Out** *by Paul Starr*
- 8 **The Out Years: The Overrated Swing Voter** *by Mark Schmitt*
- 9 **Comment: The Real Judicial Activists** *by Thomas J. Miles and Cass R. Sunstein*
- 44 **Off Topic: How to Create Populists** *by Robert B. Reich*

CULTURE & BOOKS

- 35 **MEDIA: In Arabic in English in D.C.** *by Tara McKelvey*
Al-Jazeera English has come to America, looking great and raising anxieties.
- 37 **BOOKS: The Other War** *by Anatol Lieven*
Sarah Chayes has authored a magnificent chronicle of our failure in Afghanistan.
- 39 **BOOKS: Indictment or Challenge?** *by Sasha Polakow-Suransky*
Jimmy Carter tendentiously equates Israel with apartheid South Africa, but his warning to Israel isn't wrong.
- 41 **BOOKS: Back to Class** *by Richard D. Kahlenberg*
Four books look at ways in which school integration works.

DEPARTMENTS

- 4 **Correspondence**
- 6 **Up Front: The Republican crisis of confidence;**
Rumsfeld's other Iraq recommendations;
plus The Question.

The Way Out

WOULD LEAVING IRAQ MEAN “SURRENDERING” to the enemy and “losing” the war? That is how the war’s supporters have cast the alternative of a phased American withdrawal. But at a time when the Taliban are gaining strength in Afghanistan and have seized

control over a substantial area in northern Pakistan, it is important to remember what the United States legitimately sought to accomplish after September 11 and why the Iraq War needs to be brought to a prompt conclusion based on realistic and limited aims.

The legitimate objectives after September 11 were the defeat of the al-Qaeda network of terrorists who had attacked us, the overthrow of the Taliban regime that harbored them, the elimination of other enclaves where terrorists could train and organize, and the strengthening of moderate Islamic forces that could combat Islamist extremism.

The Iraq War has been utterly counterproductive in achieving these goals. Before it invaded Iraq, the Bush administration promoted the fiction that there was a link between Saddam Hussein and September 11, and the president has since tried to maintain support for the war on the false premise that Iraq is the central front in the “global war on terror.” But in the wider Islamic world, the war has inflamed the anti-American sentiment that nurtures terrorism, and in Iraq itself the American invasion has led to a civil war between Sunnis and Shia that has undermined and possibly destroyed the basis for a stable national government that controls its own territory. It is the failure to establish effective political authority that risks making terrorism based in Iraq a long-term threat.

The question is no longer whether Iraq will become a beacon of democracy in transforming the entire Middle East. That was a chimera. But the question is also not whether al-Qaeda will seize power. That is not likely even in central Iraq, and through the strategy we follow on the way out, we can minimize the chances that al-Qaeda will permanently entrench itself there.

The de facto reality is that Iraq has broken up into an autonomous Shia area in the south, a Kurdish zone in the north, and a central region wracked by internecine warfare. We can’t do much about the south, and we support the Kurds. The crux of the problem is in the center, where the insurgency draws its primary support, not from al-Qaeda, but from Sunnis fearful of Shia power and from nationalist opponents of the U.S. occupation.

The Sunnis are not acting irrationally; our efforts to bolster current Iraqi security forces, heavily infiltrated by Shia militias, are a mortal threat to them.

If we were out of Iraq, however, the Sunni nationalists would not necessarily be a problem for us; indeed, we would have reason to support them to strengthen the opposition to al-Qaeda. Moreover, neither Iran nor the Sunni Arab states want

al-Qaeda to retain a foothold in Iraq; it is in their interest to help avoid that result after a U.S. withdrawal.

And that is the limited aim that we ought to pursue. The war has been lost if we think of it in the grandiose terms that the president originally set. But if the chief limited aim now is to prevent central Iraq from becoming a staging ground for international terrorism, that is still attainable. Only we shouldn’t be trying to achieve it by prolonging the occupation. Neither should we be unreservedly backing a Shia-dominated government that is unwilling or unable to protect the Sunni minority. We need to compel that government to make concessions.

No idea of the Baker-Hamilton Commission was so roundly condemned as the proposal to approach Iran as part of an effort to negotiate a regional settlement. But this is not a matter of begging Iran to do us a favor.

The great danger that all parties face is that the conflict in Iraq, which is already becoming a proxy war between Iran and the Sunni states, will turn into a full-scale regional war—Iran against the Arabs. That risk, however, is Amer-

Without the United States, Shia versus Sunni could become Iran versus the Arabs. That’s our leverage.

ica’s remaining source of leverage. Because a U.S. withdrawal could draw them into a war against each other, all the neighboring states, including Iran, have an interest in stabilizing Iraq.

We made a mess of Iraq, and some say we should stay until we clean it up. But there is little chance that we

can, and our best interests lie in announcing that we’re on our way out of Iraq (except for Kurdistan) and that the neighbors had better help clean it up, lest they be sucked in. We should never have invaded. But by extricating our forces, we can refocus on the real enemy regrouping in Afghanistan and northern Pakistan. **TAP**

— PAUL STARR



An ACLU Coup?

I WISH TARA MCKELVEY'S article on the controversies in the ACLU, "Uncivil Libertarians" [December 2006] had been informed by the concerns of some of us who are involved in the issues but do not personally know the more famous participants. That perspective might have made it harder to frame these issues as being all about personalities and style rather than substantive concerns.

[W]e put mechanisms in place to monitor the leaders of important organizations that perform critical public functions with large sums of money belonging to persons other than those who spend it. It is the breakdown in those checks and balances that motivate most of us who joined Save the ACLU.

In the wake of the civil liberties abuses following September 11, a cascade of new money and members flooded into ACLU. Anthony Romero ... and his inner circle on the board took the opportunity to seize unprecedented power to the detriment of the organization and for the benefit of a few. This happened largely by disabling oversight and transparency.

[T]hose who don't like it can run for office and change

[Romero's] decision was the opposite of best management practices.

— JANET LINDE
BROOKLYN, NY

leaders. But the foregoing mechanisms have closed off any meaningful possibility of doing that. There is not the transparency and accountability left to obtain the information to wage a campaign ... and internal critics are purged.

RICK JOHNSON
Florida ACLU Board
Member
Tallahassee, FL

Shredding Protocols

TARA MCKELVEY'S RECENT article on the ACLU [December] misrepresents both the timing and the facts of the issues regarding document shredding. As the former ACLU archivist and records manager who developed and ran a witnessed, documented, centralized shredding program at the ACLU from 1997 until May 2005, I know that McKelvey's description of the issues in dispute is incorrect.

... [T]he issues surrounding shredding only became public in 2005 (through a leak of documents to *The New York Times* by someone other than me), and not "in the fall of 2002" as the article states, and had nothing to do with destroying old résumés, much less "debris." No one

was ever opposed to the destruction of such documents, and there was a detailed protocol for which kinds of records could be destroyed or retained in accordance with professional records retention policies and practices.

The question was how to enforce the protocol, and during most of my tenure the way it was done was through a witnessed, documented, and centralized shredding system to avoid improper destruction of records. This process comported with the highest professional standards in archives and records management.

Beginning in 2003, Romero changed this practice. He authorized decentralized shredders in many offices and permitted shredding without centralized witnessed documentation. This kind of system is an invitation to abuse as well as legal liability, and I said so (in private, internal memos and emails), to no avail. ... [Romero's] decision not to follow the shredding protocols was the opposite of the best contemporary management practices.

McKelvey makes light of all this. After reading her article, I can only conclude that she does not understand what the real issue was.

JANET LINDE
Brooklyn, NY

McKelvey responds: I'm grateful to Janet Linde for shedding light on aspects of the ACLU controversy. In my article, I say—as Linde does—that documents were shredded at the ACLU in 2003. I could have been more precise in a sentence that describes the kind of documents that were destroyed. I am, of course, acutely aware of the

gravity of document shredding and of the many other issues discussed in my article. For that reason, I spent two months studying ACLU documents, reading a steady stream of blog postings, and speaking with more than a dozen individuals, including current and former employees, in an effort to assess Romero's tenure and the way he has introduced new organizational procedures while dealing with old histories, both personal and professional, at the ACLU.

More Such Failures

IN HIS REVIEW "RESTRAINING the Judges" [December], Gordon Silverstein repeats a widely held misconception. Franklin Roosevelt didn't "fail miserably when he attempted to curb the Court." [H]e failed in his attempt to enlarge the Court, but [he replaced] the conservatives on the Court one by one. When Roosevelt died, he had eight appointees on the Court and all his social legislation had been ruled constitutional. That sounds like victory, not failure, to me!

PAUL GLASSER
Brooklyn, NY

Correction: The table of contents entry for "In But Not of Israel" [December] by JoAnn Mort referred to Umm El-Fahm as "Israel's largest Arab town." It's actually Israel's largest Muslim town.

Letters to the editors should be sent to letters@prospect.org or mailed to The Editors, The American Prospect, 2000 L St., NW, Suite 717, Washington, D.C. 20036.

Up Front



SHOCK AND AAAUGH!

I'VE NEVER BEEN A SWING VOTER BEFORE," MUSED David Brooks a few weeks after the election. He was far from the only dejected partisan who'd grown confused trying to process the GOP's thumping. On November 30, the conservative Hudson Institute held a panel wondering if it wasn't "time for conservatives to reexamine their own intellectual infrastructure in light of the progressive network's success."

Those of us old enough to remember all the way back to 2004 recall the Democrats' endless conversations about how to counter the "right-wing noise machine" while simultaneously convincing Red America that progressives, too, adored the Baby Jesus. Did all that hand-wringing and confabbing actually *work*? Let's assess: In 2004, Democrats could be described as muddled critics of the Iraq War who believed the federal government should do more to protect against the vagaries of the global economy while taking a permissive attitude toward social behavior. In 2006, they were *slightly less* muddled critics of the war who believed the government *really* should do more to protect against the vagaries of the global economy while taking a *very quietly* permissive attitude toward social behavior.

So what accounts for the differing outcomes? It's the reality, stupid. Iraq, the economy, Katrina ... Turns out that political parties should pursue policies that don't end in disaster, and that the trick for the opposition is basically waiting for your opponents to screw up. With the caveat: If you ape them along the way, when they fail, you will, too.

— EZRA KLEIN

UNITED WE FALL

David Broder reached new heights (depths?) of self-parody in a December 6 column gushingly touting the Iraq Study Group's work as an "exhilarating experience, a demonstration of genuine bipartisanship," regardless of what the substance of the report might be. His "comity *uber alles*" outlook unfortunately seems to have mirrored the commission's own. ISG member Leon Panetta discussed at a press conference the need "to try to take one last chance at making Iraq work and, more importantly, to take one last chance at unifying this country on this war." Panetta's panaceatic prattle elides the fact that the war was conceived by the Bush White House to divide the country politically, and to the Democrats' disadvantage. Beyond that, though, he also said that uniting America behind an Iraq policy is *more important* than that policy actually working. Which does make a certain crazy sense, since the only thing uniting Americans on Iraq is that our current policy isn't working and, increasingly, that there are no policies that will work.

MESSAGE: PREVAIL

Meanwhile, President Bush held a joint press conference with Tony Blair following the release of the Iraq Study Report. He hewed to an impressively consistent theme when answering questions; see if

you can spot it: "I also believe we're going to succeed. I believe we'll prevail. Not only do I know how important it is to prevail, I believe we will prevail. I understand how hard it is to prevail. ... As you can tell, I feel strongly about making sure you understand that I understand it's tough. But I want you to know, sir, that I believe we'll prevail."

BLAMING THE VICTIMS

The January 2005 Iraqi elections offered conservatives their last real occasion for maximal gloating and denunciations of war opponents' indifference to Iraqi freedom.

Bill O'Reilly noted in the run-up to the elections that "you would think everyone in the world



who values freedom would be rooting for the Iraqis to have them, but they are not," and followed up after the vote by remarking that "President Bush looks like a sage" while his critics look churlish. In a higher-brow iteration, columnist Charles Krauthammer later wrote that the democratic wave sweeping the Middle East was "simply astonishing—well, astonishing to the critics." But by the end of 2006, conservatives' tone regarding those liberated Iraqis had darkened just a bit. Krauthammer in November: "We have given the Iraqis a republic, and they do not appear able to keep it." O'Reilly

ERIC PALMA; LANDOV

THE QUESTION: HOW MANY U.S. TROOPS WILL BE IN IRAQ ON JANUARY 1, 2008?

"Unfortunately, close to the current 140,000. The bungling of the war means the Iraqis are not yet up to the job."

— **Nancy Soderberg**, former

U.S. ambassador to the United Nations



"80,000, as politicians from both parties will demand we shift our focus from combat to training and support of the Iraqis."

— **Lawrence Korb**, senior fellow at the Center for American Progress



"Roughly 100,000—50,000 as trainers and combat support, 25,000 withdrawing, and 25,000 in Kurdistan or the Iraqi-Saudi border."

— **Anne-Marie Slaughter**, dean of Princeton's Woodrow Wilson School



in December (as noted by Media Matters): "Let them kill each other. Maybe they'll all kill each other, and then we can have a decent country in Iraq."

TO PUTT IS GLORIOUS

One more scene from the marriage of capitalism and Chinese communism: Bloomberg News reports that at Xiamen University, on China's southern coast, golf is now a mandatory requirement for law, economics, management, and software engineering majors. "First-rate universities should cultivate the elites of society," university president Zhu Chongshi said on the university's Web site. Let a hundred flowers bloom on the 18 holes. Or else.

AMERICAN DREAMS



James K. Glassman, free-market fanatic and author of the eerily prescient tech-boom-era tome *Dow 36,000*, has started a new venture—a print magazine called *The American*, covering business and economics. The debut issue included a feature story tackling one of the great injustices of our time: underpaid CEOs. "There's strong evidence," writes Dominic Basko, "that, far from being paid too much, many CEOs are paid too little." Surely some concerted state action is in order here. (Where are the

Democrats on this issue?) Presumably, enhanced stock options will only look more appealing to CEOs as a policy remedy when the stock market finally commences its Glassmanian ascent.

DELAY VS. READERS

Set your bookmarks: Tom DeLay has started a blog, at www.tomdelay.com. Adjusting

to the rough-and-tumble world of blog comment threads proved difficult at first. As the Hammer told *The Hill* on December 11, "Yesterday, we were up on the blog for just an hour and we had over 100 [comments] ... that were mean, nasty ... vulgar." Those comments were deleted. Over the course of the blog's first few days, however,

(days featuring posts attacking Kofi Annan and Jimmy Carter), the censorship relented somewhat and let through some negative sentiments. One can only presume, for example, that this comment was intended as parody: "I, for one, do not understand why the Arabs and Israelis cannot settle their disputes like good Christians." **TAP**

PARODY

From the Secret Files of Donald Rumsfeld

"Two days before he resigned as defense secretary, Donald H. Rumsfeld submitted a classified memo to the White House that acknowledged that the Bush administration's strategy in Iraq was not working and called for a major course correction. ... The final page of the memo is a brief list of six 'less attractive' options, which Mr. Rumsfeld describes as 'below the line.'" —*The New York Times*



UNRELEASED APPENDIX TO RUMSFELD'S MEMORANDUM:

Finally, I also wanted to float some even less attractive options, in the *below-below-the-line* category. They might just work:

- Sponsor a national Sunni-Shiite anger management program. But with rewards—like an iPod, or the new Xbox.
- Start several additional commissions like Baker-Hamilton and see who comes up with the niftiest ideas. Make it a yearly event, with prizes.
- Tell a million Americans they'll be going on a free trip to Bermuda and place them instead on planes to Iraq. At least half will survive, giving us a vital foothold. (I floated this with David Addington, who said it should be legal.)
- Try reverse psychology: Make secularism and moderation seem anti-American by having President Bush convert to radical Islam and behead Josh Bolton.
- Open some gyms. There's just a lot of restless energy over there.
- Encourage the Shia to form extra-legal militia groups that operate with government support and kidnap and kill random Sunnis in revenge for al-Qaeda-linked terrorism. (Actually, looks like this idea is taking off.)
- It is said that two countries with McDonald's don't go to war. Open a McDonald's in Iraq. Then see if anyone says it anymore.
- Invite Wal-Mart to Iraq and tell it that the insurgents are trying to unionize. Then stand back and wait. (Not for the squeamish.)
- Crush the Kurds. They're not expecting it.

— T.A. Frank

The Overrated Swing Voter

BY MARK SCHMITT

ONE LESSON OF THE 2006 VOTE WAS SO OBVIOUS that Ron Brownstein of the *Los Angeles Times* was able to write about it two days before the election: the return of the swing voter. Karl Rove's strategy of mobilizing a conservative Republican base while ignoring the

flippable voters in the middle "lay shattered in pieces," exactly as pollster Stan Greenberg told Brownstein it would.

It is with a sense of relief that we welcome back the swing voter. The craziness is ending. The arc of politics again points toward the center. David Broder can exhale.

And yet, before we hoist the swing voter up on a chair and parade him around the room, let's take a moment to point out some of his uglier qualities. And let's have a few words of praise for the strategy of mobilizing the base and even for dear old Karl Rove.

Remember what it was like when elections were about swing voters and no one else? It wasn't long ago and it wasn't pretty. The election of 1996, the only presidential election in which turnout fell below 50 percent, was the ultimate swing-voter election. Both parties assumed that the electorate was a fixed quantity, and that the payoff for flipping a voter in the middle far exceeded that of trying to drag a nonvoter to the polls. "Don't waste time on people who don't vote" was every campaign consultant's mantra at that time.

That created a politics that was every bit as detached from the reality of most Americans' lives as the recent focus on the partisan base. That was the era that brought us E.J. Dionne's *Why Americans Hate Politics*, Robert Putnam's *Bowling Alone*, and other attempts to plumb the chasm between Americans and their pub-

lic life. Young people were enthusiastically volunteering, but nothing could persuade them that voting mattered a bit. This was the era of the trivial "micro-initiatives" of middle-period Clintonism.

The nicknames that pollsters developed for the swing voters of this era—all those "soccer moms" and "office-park dads"—remind us of the narrow perspective of these campaigns. They focused largely on a constituency of white employed homeowners, whose politics was internalized and anxious. Allergic to taxes, they were nonetheless protected from the big economic forces that were destroying Rust Belt cities and rural communities. Socially liberal, they were also environmentalists, but in a safe, middle-class way, concerned about open space in their communities and about oil drilling in the Arctic.

In fact, some of the dysfunction in the Democratic Party that is often attributed to the interest and identity groups on the party's left actually has more to do with the obsession with swing voters. If you wonder, for example, why the Democrats of the late 1990s had a lot to say about reproductive choice and not much of an economic message, it was not because of feminist influence. Rather, they were transfixed

by polls showing that in key states such as Ohio, a decisive 4 percent to 6 percent of voters were well-off Republican-leaning women who were strongly pro-choice and could be pulled away by a reminder of the threat to *Roe v. Wade*. As Democrats chased after these narrow targets, they created the impression of a party that cared about little else. Such a politics also led to historically weak political parties, because no effort was made to draw these voters into a broad and lasting coalition, but merely to "swing" them to one side for the moment.

I doubt that Karl Rove's insight was that "there are no swing voters." There are always swing voters. What Rove discovered was that it might not be as much of a waste of time and money as previously thought to go after people who hadn't voted—and, therefore, one could worry less about the electoral middle. He was right—there was a vast untapped potential vote out there—and his insight was so radical and disruptive that it dominated politics for the five years that it took Democrats to understand it. But like a hedge fund genius with a brilliant strategy, he took it too far, didn't recognize its limits, and never diversified his portfolio.

The insight lives on, however. The Democratic victory was built on swing voters *and* the base. Almost every category increased its Democratic vote, from white suburban men to African Americans and unmarried women. The election raises the possibility of a future in which Rove's insight is

*Rove was right:
There was a vast
untapped potential
vote out there,
which Democrats
didn't understand.*

normalized, in which stronger parties seek to build and expand their bases while *also* reaching into the center. If they do both, they will create a politics that is more balanced and relevant, one in which the economic pressures on low-income families and the anxieties of the middle class are both heard. If so, let's send a thank-you note to Karl Rove, wherever he is by then. **TAP**

The Real Judicial Activists

BY THOMAS J. MILES AND CASS R. SUNSTEIN

IN DISCUSSIONS OF “JUDICIAL ACTIVISM,” ALMOST everyone focuses on how often Supreme Court justices vote to strike down acts of Congress. These discussions neglect a question that is, in terms of the Court’s actual workload, much more important: How

often do justices vote to strike down acts of the executive branch?

We attempted to answer that question by compiling a large sample of votes (more than 500) from 1989 through 2005. We were startled by our results.

In a nutshell, the more liberal members of the Court were the most likely to vote to uphold the decisions of the executive branch. The most conservative members of the Court were the least likely to vote to uphold those decisions.

Justice Stephen Breyer voted in favor of the executive 82 percent of the time—the highest pro-executive voting rate on the Court. Justices David Souter, Ruth Bader Ginsburg, and John Paul Stevens were next, with an average voting rate in favor of the executive of 75 percent.

Justice Antonin Scalia voted the least often for the executive (52 percent), and Justice Clarence Thomas was close to him (54 percent). Former Chief Justice William Rehnquist showed a somewhat higher pro-executive rate (64 percent). Here as elsewhere, Justices Sandra Day O’Connor and Anthony Kennedy were exactly in the middle (around 67 percent).

In their willingness to strike down acts of the executive branch, the conservative justices appear to be the most activist, and the liberal justices to be the most modest.

Why are the justices’ votes in favor of the executive almost perfectly correlated with popular impressions of the ideological leanings of the justices? To answer this, we separated the justices’ votes by presidential

administration. Our analysis was simplified by the fact that about half the votes in our sample were made during the Clinton presidency, while the other half were made during one or another Bush presidency. And indeed, we found that the most conservative justices were much more likely to vote in favor of the executive branch under Republican than Democratic rule. Taken as a whole, Rehnquist, Scalia, and Thomas voted in favor of the executive 47 percent of the time under a Democratic president—and 65 percent under a Republican.

But Breyer, Souter, Stevens, and Ginsburg showed no statistically significant decrease in their pro-executive votes under Republican presidents. In fact the four liberal justices voted in favor of the executive under Republican rule at a 73 percent rate—higher than that of the conservative justices.

To understand these figures, we observed that the Clinton administration sometimes made conservative decisions, challenged in the Supreme Court by public interest groups, and both Bush administrations sometimes made liberal decisions, challenged in the Supreme Court by industry. What happens when we analyze executive decisions by whether they are liberal or conservative?

With that analysis, some of the puzzles

disappear. Rehnquist, Scalia, and Thomas voted in favor of liberal executive decisions only 46 percent of the time and in favor of conservative decisions 76 percent of the time. Stevens, Souter, Breyer, and Ginsburg voted in favor of liberal decisions 85 percent of the time and in favor of conservative decisions 58 percent of the time. Apparently the votes of Supreme Court justices, in cases testing the legality of executive branch decisions, are significantly affected by whether those decisions are liberal or conservative.

Kennedy and O’Connor provide a useful reality check here: Their pro-executive voting rates turn out to be the same, regardless of how we characterized the executive’s decisions.

Our evidence does not suggest that judicial decisions are based on politics rather than law. The conservative justices vote to uphold liberal decisions nearly half the time. Liberal justices vote to uphold conservative decisions over half the time.

In any case, the Court restricts itself to hard cases, and so it should not be shocking to see a degree of political voting. In lower court cases in the areas of environmental and labor law, we find an essentially identical rate of pro-executive voting

across Democratic and Republican appointees.

But our simplest lessons remain. The conservative members of the Court have been the most likely to vote to strike down executive branch decisions, and the liberal members of the Court have been the least likely to do so. The voting patterns of the justices are significantly

affected by whether the executive’s decision is liberal or conservative. But even here, there is a kicker: Liberal justices vote to uphold conservative decisions more often than conservative justices vote to uphold liberal decisions. **TAP**

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*Liberal justices
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Dispatches

"Arms manufacturers grumble at export controls, though 46 percent of all arms exports last year came from the United States."

— PAGE 17



Start Here: Fixing the drug benefit is the easy stuff.

CAPITOL HILL

DOCTORING HEALTH CARE, I

Democrats, business, and labor look to 2008.

BY BARBARA T. DREYFUSS

FOR ALL THE HYPE OVER THE Democrats retaking Congress, you'd think the reemergence of that body's liberal lions would, in short order, bring about universal health care and a host of other panaceas. Winning universal health care, alas, remains unlikely, at least in the near term. Instead, repairing the cracked foundations of Medicare and Medicaid will dominate the health agenda, and if the Democrats have any energy left, they may try to stabilize the employer-based health system, too. But if the Democrats are smart, they'll go one step further, using their control of committees and their ability to set the agenda to lay the groundwork for a major universal health-care push in

2008—one that may boast a surprising array of new allies.

It's true that for the next two years the Democrats will be hamstrung in their legislative efforts by the threat of a presidential veto. So their first order of business will be a series of investigations and hearings showcasing how Republicans have undermined the stability of Medicare, rammed through a capricious and inadequate drug benefit, ignored soaring insurance costs and the number of uninsured, and further damaged the already precarious employer-based insurance system. But attaining significant improvements in these areas will take a wider Democratic majority in the Senate as well as a change in occupancy at 1600

Pennsylvania Avenue. California Democrat Pete Stark, who returns as chairman of the important House Ways and Means health panel, says "We're going to have to do this slowly and we're going to have to reach out to build a bi-partisan coalition. ... I don't want to spoil our chances for making bigger strides in 2008, when arguably we have a good chance to win the White House."

Even the much-touted promise, from incoming House Speaker Nancy Pelosi of California and Senate Majority Leader Harry Reid of Nevada to pass a measure in the first 100 legislative hours that would allow the government to negotiate drug prices with manufacturers will be largely symbolic, given Health and Human Services Secretary Michael Leavitt's emphatic statement that he doesn't want such authority. More useful would be a measure that more than 130 House Democrats, including Pelosi, co-sponsored last Congress offering seniors the option of enrolling in a government-run drug plan that would compete with private plans. Unleashing Medicare's cost and administrative efficiencies on prescription-drug purchasing would be good for seniors and for advocates of a strong Medicare program.

Meanwhile, even if such health-care legislation stalls, simply debating it would jump-start discussion over the future of Medicare, both as a government entitlement for seniors and as a program for covering the nearly 47 million people without health insurance. Debate on the uninsured will also be sparked by hearings on the State Children's Health Insurance Program, which covers about 8.5 million children and must be renewed this year. Many Democrats want to expand this program to more children as well as their families.

At the same time, five congressional committees are required by law to hold

hearings in 2007 on options for insuring all Americans that were recently released by a nonpartisan panel that Congress created three years ago. The panel concluded that most Americans want a national, universal coverage system. And a surprising array of business leaders, labor union officials, consumer activists and health-care industry executives may agree. "It is one of those times, it is like 1992 again," says Robert Galvin, who oversees the \$3 billion General Electric spends on health care annually. Galvin is referring to the health-care crisis of the early 1990s, which led President Clinton to take a serious crack at comprehensive reform. "It is like it was 15 years ago, in terms of business interest in getting into the dialogue."

"Conditions are there to drive health care to the top of the agenda," John

ager worth their salt in any large employer will tell their boss that HSAs will take care of their problems," says Chris Jennings, who was President Clinton's top health-care adviser and now advises corporations, consumer groups, local governments, and unions.

Employers are between a rock and a hard place, warns GE's Galvin. They need to provide health insurance in order to attract workers, but they have been unable to control their health-care costs. "I think large employers ... are looking for new ideas and a creative exit strategy," says Galvin, a leader in several organizations formed by the largest U.S. companies to propose solutions to the health-care cost crisis. "We're never going to get out of it entirely. Even in countries that don't do it our way, employers are

ance Plans (AHIP), representing nearly 1,300 insurers, proposed a plan to insure everyone by helping them buy insurance with tax breaks and federal grants, and expanding government programs for the poor. Clearly, such a plan would benefit AHIP's members, and the organization said it will spend "significant resources" to buy advertising and have community events to discuss these proposals. AARP plans to keep up debate about health-care policies through forums, advertising, and community events, especially in states with early presidential primaries, says Rother. And organized labor shows no willingness to rest in its agitation for a national system. Says JoAnn Volk, a legislative representative for the AFL-CIO, "We're trying to be realistic about what can be accomplished in the next two years," but the federation is hopeful it can "lay the groundwork for the debates that will come with the presidential election."

As that debate evolves, there seems to be broad agreement on the need for universal insurance coverage. But there will be two main questions: How to get to universal coverage, and whether it will be provided through an efficient, less costly federal insurance plan or through a more costly multitude of private insurers who will demand huge profits. Senator Ted Kennedy of Massachusetts promises that access to affordable care will be a top issue for his Health, Education, Labor, and Pensions Committee. "The most straightforward way to see that every American has affordable, quality health care is to extend Medicare to all citizens," he said.

Rather than vigorously leading the effort toward this Medicare-type insurance system, however, labor leaders seem to be shying away from insisting on it. "I think it's safe to say we have a policy in support of single payer," says Volk, "but it is more important to us that we get to universal health care. We want to have a debate about the need for universal health care and will worry about how to do it at a later point." Andrew Stern, president of the Service Employees International Union and the key force behind the Change to Win Federation formed by seven unions, sent a let-

This year, retired Caterpillar CEO Glen Barton endorsed single-payer health insurance—a first for a major American business leader.

Rother, policy director for AARP, told a recent forum. Public surveys show that paying for health care is the public's top concern; people worry about it more than they do rent or terrorism. And these worries will intensify. Surveys of insurers indicate premiums will jump another 10 percent to 13 percent next year. "A majority of Americans do have health coverage and it's the issue that premiums, co-pays, and deductibles are going through the roof," says Alan Reuther, the legislative director of the United Auto Workers (UAW), whose members have been reeling from increased health-care costs the auto industry is shifting to them.

For the past six years, as costs soared and the numbers of uninsured grew, the Bush administration and Congress offered platitudes and tax-free health savings accounts (HSAs) as a solution. But employers have been reluctant to offer these accounts and employees have been even less eager to sign up. A recent Kaiser Family Foundation survey of more than 3,000 firms found only 7 percent offered those accounts, and only 4 percent of employees participated. "No benefits man-

paying, just through taxes. I think we're very willing and eager to get into a discussion about some kind of solution to the health-care problems."

Exactly how serious the issue is for employers was underscored by the fact that just days after the election, the heads of the three top U.S. automakers came to Washington, D.C., begging for help from Bush and Congress on their catastrophic health costs. The auto industry hopes to find a more receptive ear in Congress now that Democratic legislators from key auto states like Ohio and Michigan are sitting on, or chairing, key committees. "Obviously having Mr. [John] Dingell [of Michigan] back as chairman [of the House Energy and Commerce Committee] helps a lot," the UAW's Reuther says. Dingell's new committee chief of staff will be Dennis Fitzgibbons, who left the panel six years ago to work for an automaker, DaimlerChrysler.

Even as business gears up to shape the health-care debate, labor, consumer groups like AARP, and even health insurers, are mobilizing as well. Immediately after the election, America's Health Insur-

ter in July to CEOs of the Fortune 500 companies, asking them to join with labor to craft a replacement for employer-based health care, and noting that the federal employees health system, which offers an array of private insurance plans, was worth looking at.

The business community, however, seems to be showing new interest in government involvement with health insurance. A recent survey of 3,000 employers by the Commonwealth Fund and Center for Studying Health System Change found 51 percent interested or somewhat interested in allowing employees to participate in a public insurance program or the federally run private insurance program offered to Congress. Sixty-three percent thought it was important for the government to protect employers from catastrophic health costs.

Those numbers will only increase as the employer-based insurance system continues to crumble. In early 2006, Glen Barton, the retired CEO of Caterpillar and former head of the Business Roundtable's health-care task force, said the solution to the health-care crisis is a single-payer system, citing Medicare as a model. Giving testimony to a task force set up by the Illinois legislature and governor to develop a universal health-care plan for the state, Barton said that Medicare "works amazingly well in my opinion." He proposed that employers and employees pay premiums directly to Medicare, "getting companies out of the health-care business." He explained that the "only reason most companies are in this today is because they believe they can control health-care costs better than the insurers. With a single payer system, this should not be an issue."

Barton's testimony is the first explicit call for a single-payer health-care system by a major American business leader. GE's Galvin does not reject it out of hand. "Where I step away from the Medicare-for-all is that today's Medicare is not something that makes sense to extend to everybody," he says. But "a tomorrow's Medicare, where you could drive the values of information and incentives, and competition around quality and much more engagement by

employees, having more price sensitivity, is one way to get there."

It is too soon to say whether any presidential candidate will be bold enough to press a Medicare-for-all proposal. But Democrats will be using their new leverage to press on health care, and at least two Republican presidential hopefuls—former Massachusetts Governor Mitt Romney and Tommy Thompson, George

W. Bush's former Health and Human Services secretary—are best known for health-care initiatives. By 2008, with the employer-based insurance system continuing to crumble, an alliance of business and labor just might be strong enough to get things moving. **TAP**

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CAPITOL HILL

DOCTORING HEALTH CARE, II

Yo, Democrats! Medicare is privatizing!

BY ROBERT A. BERENSON

IF YOU'RE A SENIOR CITIZEN OR JUST happen to know one, you're probably familiar with the flaws in the Medicare Modernization Act (MMA)—the legislative monstrosity that Congress enacted, after one very long night in 2003 when Tom DeLay held the vote open for three full hours to intimidate a majority of unwilling members into voting for the bill. It prohibits Medicare from bargaining with drug companies over the price of their medications. It fails to cover seniors' medications if their annual costs rise over a specified level, only to mysteriously resume coverage once costs rise over a higher specified level. It costs taxpayers trillions in order to make pharmaceutical companies billions. You've heard this all before. You know the drill. Or do you?

On balance, even a poorly conceived drug benefit is—though just barely—a net plus for Medicare beneficiaries, if not for taxpayers. But tucked deep inside the act were a series of provisions aimed at realizing the long-running Republican goal of privatizing Medicare. They augment decades-old efforts by the GOP to use tax revenue and government regulation to advantage private plans and handicap traditional Medicare—effectively overpaying the private sector in order to help it outcompete the public one. This strategy, however, had been a proven policy failure. The MMA gave it a new lease on life.

Conservatives have never liked

Medicare. *Wall Street Journal* editorialists have long derided the program for imposing a "Soviet-style bureaucracy," applying arbitrary and rigid price controls on the health-care system and thereby supposedly stifling health-care innovation. Newt Gingrich was even more forthright in his plans to kill the program: "Now, we don't get rid of it [Medicare] in Round 1 because we don't think that's politically smart. But we believe it's going to wither on the vine because we think people are voluntarily going to leave it—voluntarily."

But whether conservatives try to gut the program in Round 1, 2, or 12, Medicare is enormously popular. The GOP's only way out of this dilemma is to stack the deck: Use taxpayer money to make the private health insurance alternatives to Medicare so enticing that beneficiaries voluntarily desert the traditional program, and it perishes from neglect.

The first attempt at unleashing the private sector on Medicare came in 1982, when Congress created legislation allowing beneficiaries to choose between the traditional Medicare program or privately administered Medicare plans that the government paid insurers to offer. The private plans had to provide benefit packages at least as good as what Medicare itself guaranteed and, once upon a time, they were expected to do so at a lower cost. If the insurers could work the magic of the market to force their costs below

what Medicare pays, they could then add supplemental benefits and make their plans more attractive to seniors. In that way, the private plans could compete with Medicare.

Initially, the private plans were paid only 95 percent of what it would have cost to care for the average beneficiary in traditional Medicare (private plans are more efficient, remember?). Taxpayers were to pocket the 5 percent savings, and plans were still supposed to have enough left over to provide additional benefits, in-

against managed care, HMOs and other managed care plans had given up what-ever advantage their stinginess had engendered in holding down health-care costs. In 1997, the Republican Congress threw them a lifeline: They created a “private fee-for-service” option that could impose Medicare’s payment schedules on hospitals and physicians. In other words, Republicans invested private entities—the insurance companies—with the authority to use governmental regulatory powers over other private entities, all in

private insurers almost \$1,000 more per enrollee than it would cost to keep the beneficiary in the traditional plan—all in order to help the private plans entice healthy seniors away from traditional Medicare. More than 40 percent of Medicare beneficiaries in south Florida have left traditional Medicare for this reason. And the private fee-for-service option is now flourishing because these plans are getting paid nearly 20 percent above traditional Medicare’s costs. Almost a million beneficiaries have left the traditional program for these Medicare look-alikes, while taxpayers foot the bill.

Sadly for the insurers and ideologues, most Medicare beneficiaries do not want to leave traditional Medicare, even for additional benefits—they remember how the insurers stopped offering coverage in the past. Rising to the challenge, Republicans used the MMA to sweeten the pot even more. Now, any beneficiary who wants to stay in traditional Medicare and enjoy prescription drug coverage (which Medicare is not allowed to directly provide) and protection against catastrophic expenses (which Medicare also does not provide) must negotiate three separate insurance plans—traditional Medicare, a stand-alone prescription drug plan (Part D) offered by scores of private companies, and a private Medigap supplemental insurance plan. Indeed, the MMA expressly forbids Medigap plans that provide catastrophic coverage from offering the approved Part D prescription drugs benefit.

Because the same private plans that offer Medicare Advantage are also offering the stand-alone drug benefit—prominent insurers like UnitedHealth, Wellpoint, and Humana—beneficiaries will likely find it much simpler to just let that same provider offer *all* their care, including their basic Medicare benefits. Fair enough—if the insurer’s quality or efficiency earns the insurer a competitive advantage—but outrageous when the advantage is bestowed by Congress through overpayment and regulation in order to undermine traditional Medicare.

Humana is forthright about this unique new business opportunity. The Louisville-based health insurer has an as-



Then Go Here: Reversing Medicare privatization is the real challenge.

cluding much better prescription drug benefits than those now provided under the new Medicare Part D drug benefit. It would be a win-win, with both beneficiaries and taxpayers coming out ahead.

Only, it wasn’t. The government consistently lost money, even in the halcyon days when it was keeping 5 percent. The private insurers understood that the surest way to increase profits wasn’t to increase efficiencies but to avoid patients with serious or chronic health problems. In Medicare, 5 percent of beneficiaries account for nearly half of spending in any year. Because health plans cherry-picked healthy enrollees, they made money, while traditional Medicare kept the sick— and costliest—patients.

By the late 1990s, amid the backlash

order to further disadvantage traditional Medicare. At the same time, however, they modestly reduced Medicare’s overpayments to the private health plans. Many plans then withdrew from Medicare and dropped beneficiaries. Others stayed in the game but made the extra benefits they offered less generous.

Facing pressure both from the health insurance industry and from beneficiaries accustomed to receiving extra benefits, congressional leaders devised the Medicare Modernization Act to make things only worse. They began by throwing money at the private insurers. So instead of saving 5 percent by contracting out, taxpayers are now paying 12 percent more per beneficiary to the private plans. That means the government is paying pri-

sortment of Part D benefit packages, and prices them to attract market share. So far, Humana has enrolled some 2.5 million beneficiaries in its various stand-alone plans. But Humana's Part D strategy, says CEO Mike McAllister, is to capture as much market share as possible at a modest profit and "to ultimately migrate those customers" to their more profitable Medicare Advantage plans.

In short, Medicare privatization is unfolding just as Gingrich predicted. As a Goldman Sachs report concluded, "... [Medicare Advantage] may represent the end game for Medicare and unprecedented multiyear growth opportunity for managed care."

So are Democrats missing the point

of the Medicare Modernization Act? It surely is not the inadequate drug benefit, with its silly doughnut-hole coverage gap and prohibition of government negotiation over prices: All of that is easily fixable. The real problem is the GOP's decades-long campaign to privatize Medicare without anyone noticing, without ever having to put the issue to a politically dangerous up or down vote, by using taxpayer money to advantage private plans and government regulation, paradoxically, to disadvantage government. Newt would be proud. **TAP**

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process "excessive"—but experts need time to check that the arms won't be used in ways harmful to U.S. security, and to put in place a monitoring system to ensure the buyer doesn't resell, or lose, sensitive military technology.

Arms-control experts worry that the AIA is pushing for reforms that would go beyond merely streamlining this bureaucracy. (In an interview, AIA executive vice president Mark Esper was vague as to what changes the group was lobbying the administration to make, insisting that he only wanted to make the process more "efficient.") During a defense industry conference at the Hudson Institute in December, the AIA hinted that it might push for a multi-tier licensing system, in which defense firms wouldn't need to apply for licenses before selling arms to certain key allies. The group has backed similar proposals before, and the problem is that even stable democracies, such as Canada and Britain, can pose proliferation risks without a rigorous monitoring system in place. In the late 1990s, for example, the then-General Accounting Office found that a licensing exemption for arms sales to Canada was a disaster: Front companies from Libya, Iran, and Sudan had entered the country and nearly succeeded in re-exporting arms back home.

Industry officials are also talking about lobbying for reforms that "don't require congressional action," as Esper put it. That's worrisome, because the executive branch has a long history of sending weapons into regions where human-rights violations are rampant. A recent report by the World Policy Institute found that in 2003, the last year for which data were available, the United States transferred arms to 18 of 25 countries involved in active conflict. (By rights, the Foreign Assistance Act should bar this sort of activity, but the law is vague and subject to interpretation.) The "war on terror" has given the Bush administration an excuse to lift bans on weapons sales to countries that have troubling records on proliferation and human rights—including Pakistan, Tajikistan, Serbia, Armenia, and Azerbaijan—all in the name of bolstering its allies.

EXPORTS

ARMS DEALERS TO THE WORLD

The defense industry wants fewer controls on its exports of armaments.

BY BRADFORD PLUMER

NO ONE CAN ACCUSE THE DEFENSE industry of lacking audacity. Despite receiving vast sums of money from the Pentagon each year, and having much of Congress in their back pocket, arms manufacturers have been holding conference after conference of late complaining that big government is keeping them down. At a Heritage Foundation event in mid-October, at which industry officials gathered to discuss the burdens of arms-export regulations, Robert Bauerlein, a vice president at Boeing, griped: "Government fundamentally doesn't trust industry to do the right thing when it comes to export controls." This from a company that earlier this year was fined \$15 million for illegally selling military technology to China.

Arms-export control is an obscure issue that can have deadly consequences, and it may become increasingly important in the coming years. The Aerospace Industries Association (AIA), an umbrella group for defense firms, is planning a big under-the-radar push to alter regulations on the global weapons trade. Most of the current rules are in place to

prevent U.S. arms from being shipped to places where human-rights violations are occurring, or where arms could be diverted to the black market. But foreign sales are a lucrative business for defense firms—last year alone, sales of military weapons by U.S. contractors to overseas governments reached \$21 billion—and so a little audacity could, in the end, pay off handsomely.

The United States' current system of export controls actually works quite well at clamping down on arms proliferation. "It's one of the best in the world in terms of preventing unauthorized end use of U.S. defense articles," says Matthew Schroeder, an arms-control expert with the Federation of American Scientists. Defense companies that wish to sell arms abroad must first apply for an export license, and the potential sale is scrutinized closely by a variety of agencies and Congress.

At the Heritage Foundation event, defense executives complained that that review can take months—Charles Jameson, corporate director of export management for Northrop Grumman, called the

Many of these arms sales do more to increase human misery than they do to combat al-Qaeda. Since 9-11, the Nepalese government, which has engaged in grave human-rights abuses in its war against Maoist insurgents, has received a tenfold increase in military aid to purchase U.S. weapons. Arms sales to Indonesia have fueled the government's brutal repression of Aceh province. Weapons exports can destabilize nations and regions, one reason why congressional oversight remains so necessary.

Defense industry officials offer several justifications for revamping the export-control process, arguing, for instance, that they need to share technology freely with allies if the United States wants to cooperate with them in battle. As Esper says, "It's difficult to fight as a coalition if our partners need to go back at 6 [p.m.] because they don't have night-vision goggles." Retired U.S. Army Colonel Daniel M. Smith, however, has argued that the key to solving interoperability problems is greater organizational coordination among allies, not weakening the arms-export control system.

Arms manufacturers also grumble that export controls are hampering their ability to compete on the global market, although proof is hard to come by. In fact, the United States is still far and away the top arms exporter on the planet, delivering \$11.6 billion in arms last year—45.6 percent of the world's total, according to a recent report by the Congressional Research Service. There's little evidence that current regulations are cramping the defense industry in any significant way.

Congress is likely to put up a fierce fight to any proposed changes to the export control system. In the past, Republican Congressman Henry Hyde of Illinois used his perch as chairman of the House International Relations Committee to prevent the Bush administration from altering export procedures. His incoming Democratic replacement, Tom Lantos, is "on the same page," according to one arms-control lobbyist. A congressional staff member told me that if the administration tried to revive the drastic changes it floated three years ago, "There would be big trouble."

But the defense industry is still a force to be reckoned with in Washington, having spent more than \$78 million on lobbying in 2005. (During the Hudson conference, one participant singled out two congressional staffers who have helped thwart past reforms, and suggested that some defense firm "make them offers they can't refuse.") John Douglass, the president of AIA, has said that his group plans to make sure that every

presidential candidate in 2008 stakes a clear position on the issue, and suggested that Democrats might even be more open to facilitating U.S. cooperation with Europe through arms-export reform. "We're going to make this a big deal—as big a deal as we can make it," said Douglass. That's reason enough to stay on alert. **TAP**

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WOMEN'S HEALTH

THE LITTLE PILL THAT COULD

Can RU-486 also treat cancer? Pro-choice advocates hope so.

BY ANN FRIEDMAN

IN THE MID-1990s, THE ABORTION wars were at a fever pitch over the impending approval of RU-486. *Time* magazine called it "The Pill that Changes Everything," *The New York Times Magazine* dubbed it a "little white bombshell," and anti-abortion leaders said over and over that this drug was dangerous because it would make having an abortion "as trivial as taking aspirin." Pro-choicers, for their part, were invigorated by the possibility of giving women another abortion option, one they hoped would let them largely bypass abortion clinics and the attendant protestors at the gates.

But for all the controversy about mifepristone, the active drug in RU-486, there wasn't much attention paid to the fact that many doctors were already providing abortions in pill form using a drug called methotrexate, which had been FDA-approved for years as a treatment for cancer, arthritis, and Crohn's disease. Because methotrexate was useful in many more ways than abortion, it was more loosely regulated and readily available. And because the methotrexate was approved for a variety of illnesses, it was politically impossible for anti-abortion groups to push the FDA to revoke its approval.

"Nobody's trying to get *that* drug off the market," says Beth Jordan, medical director for the Association of Reproduc-

tive Health Professionals. "We want to see mifepristone enjoy that same place on the market. If the science is there."

That's why, even before mifepristone was FDA-approved as an abortion pill, pro-choice groups began supporting research into whether the drug can be used to treat depression, cancer, and reproductive system disorders. So far the results are encouraging. In November, one researcher attracted considerable press when she released findings that she had successfully used mifepristone to treat breast cancer in mice. The announcement gave pro-choicers hope that they were a step closer to pushing for FDA approval for a use other than abortion.

Although only about 10 percent of the 1.29 million abortions performed in the United States every year use the medication method, the battle over the drug has been particularly bitter. While a woman must obtain mifepristone at a clinic, the actual abortion happens in the privacy of her home. Currently, medication abortion is common in many countries where the procedure is illegal, because it's decidedly less risky than using a wire hanger. In fact, in the absence of a doctor, it's the safest and easiest way for a woman to perform a do-it-yourself abortion. Which is another reason why pro-choice groups would like it approved for alternate uses and see its availability increase. If abortion were ever outlawed in the United

States, mifepristone would become perhaps the most important—and the most common—abortion option.

It took pro-choice activists 12 years to get the abortion pill—of which mifepristone is one of two components—approved by the FDA. Though it had been used in some European countries since the early 1980s, American abortion politics caused the drug's European makers to shy away from patenting and market-

As a concession to the anti-abortion movement, the FDA gave the drug a "Phase 4" classification. This means that, even with a doctor's prescription, you can't get it at a pharmacy. The drug can only be dispensed by a licensed physician, who must order each \$500 dose directly from the manufacturer. The restriction also prevents doctors from prescribing mifepristone off-label, a common and legal practice generally

about studying it—two breast cancer researchers in Canada who were studying mifepristone received death threats from anti-abortion activists. And because mifepristone is not a patented drug, none of the major pharmaceutical companies stands to gain financially by expanding the number of uses for which it's FDA-approved. This means finding private funders, many of whom don't want to touch a hot-button drug.

"I feel that everything here has gone slower than we would have thought," says Feminist Majority President Eleanor Smeal. "We have this terrible political battle going on that has made everything more difficult."

Government agencies have quietly funded a handful of the mifepristone studies, even though President Bush is on record as opposing the FDA's decision to approve the drug. Most of the money comes from private individuals and foundations, with women's groups like the Feminist Majority providing logistical support. A University of Rochester study that has been going on for more than a year is showing that the drug holds great promise in treating uterine fibroids, and Stanford University is testing its effectiveness on clinical depression and schizophrenia. In November, Dr. Eva Lee at the University of California, Irvine, got substantial media attention for her finding that mifepristone may successfully combat genetically linked breast cancer.

Organizations like the Feminist Majority openly acknowledge that while they are thrilled at these medical findings, they're even more excited at the political promise. Jim Sedlak, vice president of the American Life League (ALL), opposes the research for the same reasons. "They are desperately looking for a way to justify this product so that if abortion is made illegal in the U.S., they can still sell this product and claim it is for something else," he says, noting that ALL would oppose FDA approval of the drug for any new purpose—even if it could save the lives of women with breast cancer. That position probably won't find great public appeal—in fact, the pro-choice movement is banking on it. **TAP**



Multi-purpose? Mifepristone may be more than an abortion drug.

ing the drug here. After a series of hang-ups, clinical trials were completed in the late 1990s and the FDA agreed to consider approval. Despite objections from anti-abortion groups and conservative congressmen, mifepristone was FDA-approved for abortions in September 2000. (More recently, the drug came under renewed scrutiny when at least four women died of a rare bacterial infection after taking the pill. The anti-abortion movement seized on the deaths to push for a ban on mifepristone. But after two more people died of the same rare bacteria, many experts questioned mifepristone's role in the deaths.)

Given the politics at play, it's not surprising that mifepristone is one of the most strictly regulated drugs in America.

considered safe if supported by research. With Phase 4 drugs, the doctor needs special permission from the FDA, which it will only grant if a patient faces a life-threatening illness such as cancer. For a painful but not lethal condition such as uterine fibroids, for which studies have shown mifepristone is sometimes the best treatment, doctors have no way to legally prescribe it.

A great deal, therefore, rides on the outcome of research into mifepristone's other uses: Jordan hopes the drug's connotation will change from "abortion drug that can treat cancer" to "cancer drug that's also used in abortions." But here too, abortion politics have stymied the effort. Due to the drug's political significance, researchers are cautious

Rejecting *the* Right

On issue after issue, conservatives are increasingly isolated from their fellow Americans.

BY ROBERT BOROSAGE

ONE SWALLOW DOES NOT A SUMMER MAKE NOR one election a new era. But some significant new realities that emerged from 2006 merit attention. First, clearly, this was a sweeping victory. Democrats had to overcome the Republican advantages in incumbency, gerrymandered districts, money, and mobilization, and to do so in the midst of a wartime presidency. And they did.

Those who suggest that Democrats should embrace a small-bore agenda, seek bipartisan compromise, and temper their efforts to hold the executive accountable are listening to Beltway pundits, not to the voters who put them in office. This victory is grounded on a growing isolation of conservatives and the Republican Party they control. Conservatives now argue, as Rush Limbaugh pronounced on November 8, that “Republicans lost last night, but conservatism did not.” Voters “punished” Republicans, George Will wrote, “not for pursuing but for forgetting conservatism.” All factions chant this mantra in unison even as they open fire in the Republican shootout over who is to blame and over what kind of conservatism voters actually prefer.

It is true that any election reflects the immediate and the contingent. Karl Rove is right that Republicans lost a number of seats largely because of scandal; the mess in Iraq cost them big-time. Thus, Rove suggests, nothing is amiss. Clean up our act, get Iraq resolved, revive the base and the Republican majority is still in place.

But a closer look at what voters thought when they cast their ballots suggests far deeper problems for Republicans and conservatives. Voters sensibly identify Bush as a conservative president like Ronald Reagan. Large majorities have rejected his signature policy initiatives—the war in Iraq, the trickle-down free-trade economic policies, privatization of Social Security, restrictions on stem-cell research, and an oil-friendly energy policy. And this rejection of Bush’s policies increasingly leads voters to question broader conservative ideological tenets.

As the exit polls show, Republican defeats came as self-

described independents voted in overwhelming numbers—58 percent to 38 percent—for Democrats. Republicans were able to consolidate their conservative and base party voters for the most part. And the Republican mobilization and money machine did close the election in the last days, saving another 10 or so seats. (*The Washington Post* reports “Of 22 House elections determined by 2 percentage points or less, Republicans won 13, including 10 decided by fewer than 5,000 votes.”) Also not surprisingly, Bush’s catastrophic misrule mobilized and consolidated Democrats and liberals. But it was independents, who had split their votes in 2004, who turned the election.

This surge of independent support has enabled Beltway nabobs to push Democrats to govern from the “center,” embracing conservative-lite policies. But voters are not looking for continuation of the conservative agenda. An election-eve poll by Greenberg Research for the Campaign for America’s Future (CAF) and the Democracy Corps reveals the divide of independents from Republicans, and moderates from conservatives, not just on policy but on ideological perspectives as well. For example, by staggering margins, Democrats think the country is “pretty seriously off on the wrong track” (89 percent); Republicans loyally think we’re headed in the “right direction” (79 percent). Independents, however, overwhelmingly agree with Democrats that things are out of whack (69 percent). Similarly, when asked to grade Bush’s job performance, 90 percent of self-described liberals overwhelmingly don’t approve; 68 percent of conservatives approve; and moderates disapprove, by more than two to one (66 percent).

This isolation of conservatives and Republicans extends to broader principles. Voters now believe Bush’s war in Iraq has made us less safe. More broadly, when asked whether America’s security comes from “building strong ties” or depending on America’s “own military strength,” Democrats and independents overwhelmingly chose alliances where a majority of Republicans still chose military strength.

Similarly, on social issues: Seven states passed anti-gay marriage initiatives in this election. Despite these outcomes, however,

the more gay marriage is debated, the more tolerant the country grows. By broad margins, liberals and moderates nationally now agree “homosexuality is a way of life that should be accepted by society,” while conservatives still believe, by 64 percent to 29 percent, that it is something that should be “discouraged.” (Indeed, this election marked an important first victory for tolerance, in Arizona, where a brilliant campaign defeated the anti-gay marriage effort there.) Similarly, independents and moderates join Democrats and liberals in believing that religious groups are getting too mixed up in politics, while Republicans and conservatives believe the reverse by large margins. In a CAF poll taken by Greenberg Research in June 2006, independents (63 percent to 32 percent) and moderates (71 percent to 26 percent) preferred a government that would promote “scientific inquiry and personal freedom and let individuals make up their own moral choices” over one that would “promote morality and restrict abortion and limit science where it violates the sanctity of life.” Conservatives (51 percent to 45 percent) stood alone in preferring the latter.

On economic issues, voters are conflicted, but here, too, conservatism is being challenged. The corruption and incompetence of the Bush-Gingrich conservatives did leave voters more skeptical about government’s ability to get things done and more attracted to small-government arguments. Yet, in pressing areas, large majorities look for government to lead. For example, on energy independence, voters of all stripes have lost faith in business. A small plurality of conservatives (49 percent to 46 percent) join with overwhelming majorities of liberals (80 percent) and moderates (75 percent) in calling for government to “take the lead in promoting areas vital to our future like alternative energy” rather than “allow[ing] businesses and entrepreneurs to make major investment decisions about energy.” On trade, large majorities of liberals (70 percent to 28 percent), moderates (68 percent to 26 percent) and conservatives (69 percent to 27 percent) all choose fair trade that will protect jobs over free trade that will expand exports and import cheaper goods. The voters are united on this key issue—and divorced from the elites in both parties.

On other broad questions of economic principle, Republicans and conservatives are once more isolated. Offered a choice, large majorities of Democrats (72 percent) and independents (56 percent) say government regulation of corporations is necessary to protect the public, while Republicans (59 percent) and conservatives (51 percent) say it frequently does more harm than good. By large margins, Democrats (62 percent to 33 percent) and independents (46 percent to 37 percent) agree “America should promote the principle of strong community and taking responsibility because we are all in this together” while Republicans (51 percent to 38 percent) and conservatives (49 percent to 43 percent) opt for America encouraging “individualism, personal responsibility and self-reliance.”

A small majority of all voters prefer the conservative notion of a “limited government that keeps taxes low so businesses and individuals can prosper” over the more liberal notion of government that “helps create conditions so that many can prosper not just a few.” Yet even so, moderates significantly join liberals, by margins of 17 percent and 40 percent respectively, in favoring the liberal choice; only conservatives—by more than three to one—go the other way.

Rove’s strategy assumes that there are few real independents, and argues that, since there are far more conservatives than liberals in the population, polarization benefits Republicans. Divide the electorate, rouse the conservative base, pick off a few independ-

ents, and sustain a governing majority to support bold conservative initiatives. In 2006, however, his strategy went aground, as catastrophic conservatism polarized itself into the minority.

IF EVER THERE WAS AN ELECTION that should drive Democrats to highlight, not hide, their differences with conservatives, it was 2006. Not only did independents swing left; populist candidates and campaigns thrived. Democrats railed against Republican incumbents for supporting NAFTA and failed trade policies that ship jobs abroad. They indicted opponents for voting against raising the minimum wage while raising their own salaries. They assailed them for being in the pocket of the drug lobby and Big Oil.

In a study CAF conducted of 11 battleground races (four Senate, five House, and two governors), the total amount that all campaigns spent on portraying the oil and drug company lobbies as threats exceeded the amount they spent on dramatizing the threat posed by Osama bin Laden. Even on the war until late in the day, Democratic ads focused on populist attacks on Republican failures to support the troops—on body armor or veteran’s benefits.

The poster boys of the conservative Democrats—Congressman Heath Shuler from North Carolina and Senator Jim Webb in Virginia—ran campaigns featuring populist appeals on trade, jobs, and wages. Strong progressive populists, in Vermont, Ohio, Minnesota, and Montana, won in the Senate. Bob Casey and Claire McCaskill also owe their victories in large part to an appeal based on bread-and-butter issues. These candidates—along with the more than 25 new Democratic members in the House who ran against NAFTA and trade accords—mark the end of the corporate consensus on trade and globalization.

Surely the signature race of this cycle was the victory of Sherrod Brown over incumbent Mike DeWine for the senate in Ohio. DeWine followed Rove’s textbook strategy, assailing his opponent on taxes and terror, while scorning Brown’s record of voting against the war in Iraq, against the Patriot Act, against warrantless wiretapping, against the anti-gay marriage amendment. Brown responded with an unrelenting campaign focused on populist economic issues, indicting DeWine for his votes on NAFTA, against



It's Back! Aaaaugh! Republicans ran against gay marriage again, to diminishing returns.

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the minimum wage, against overtime pay, for tax cuts for the wealthy. (A study of the Ohio campaign with links to the ads is available at www.ourfuture.org.) In a weathervane, socially conservative state, the voters came out strongly for the antiwar, socially liberal populist: Brown won by 56 percent to 44 percent, with more than three-fourths of voters considering the economy extremely or very important to their vote. The 63 percent of voters who thought the economy was not so good or poor supported Brown 75 percent to 25 percent; the 36 percent who thought the economy excellent or good went with DeWine 70 percent to 29 percent.

Exit polls show 87 percent of Republicans stayed with DeWine, while Brown swept 91 percent of Democrats, and won independents two to one, with DeWine losing a staggering 29 percent from his margin among independents in 2000. Brown's populism even began to win back Reagan Democrats, despite his social liberalism. Brown won 57 percent of the male vote (and 53 percent of white males), with DeWine losing more than 20 percentage points from his total in 2000. The lower the income, the higher Brown's margin, but his populism did not turn off the more affluent: He won voters with \$100,000 or more in income, with DeWine losing a stunning 28 percent from his total in 2000 in this group.

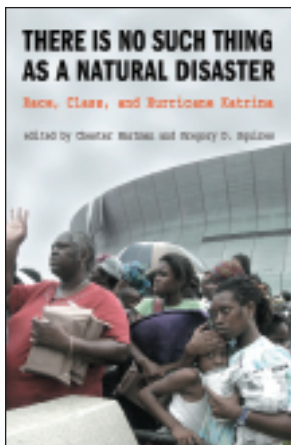
Some discount Brown's victory because Ohio had been hit hard by the loss of manufacturing jobs and the state Republican Party was rife with scandal. But with the national economy already slowing, Ohio may turn out to foreshadow the national 2008 landscape better than most states. More than that, what happened in Ohio is consistent with results elsewhere, suggesting that the election marks more than a transitory rebuke to Republicans. Bush's catastrophic failures have begun to discredit conservative principles, not simply his policies.

Polls show that voters know what Republicans stand for, but still have little notion of what Democrats represent. Democrats would benefit by clearly differentiating themselves from Republican conservatives. Incoming House Speaker Nancy Pelosi's first-100-hour agenda—raising the minimum wage, cutting student interest rates in half, negotiating lower drug prices, and revoking subsidies to Big Oil—is a good start. Beyond that, Democrats must focus on getting the troops out of Iraq, investigating the corruption and incompetence surrounding the war, pushing for energy independence, and addressing the threats posed by a collapsing health care and pension system and an unsustainable U.S. global deficit that will reach nearly \$1 trillion next year alone.

In the November elections, moderate Republicans were decimated. But even as conservatives consolidate their hold on the Republican Party, they are growing less popular. In 1994, when the Gingrich Congress took power, more voters felt warm (47 percent) about "conservatives" than cool (25 percent). In 2006, more were cool (41 percent) than warm (38 percent)—a drop of 21 percentage points. The word "liberal" is still less popular than "conservative," a reflection of the long-term and successful conservative campaign to burlesque liberalism. What 2006 suggests is that Bush's catastrophic conservatism opens the opportunity to repay the compliment. **TAP**

Robert Borosage is the co-director of the Campaign for America's Future and board chairman of Progressive Majority.

Essential Titles on Hurricane Katrina and New Orleans



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There Is No Such Thing As A Natural Disaster

Edited by CHESTER HARTMAN
and GREGORY D. SQUIRES

All royalties generated from the sale of
There Is No Such Thing As A Natural Disaster
will be donated to: Emergency Communities
<http://www.emergencycommunities.org>

There Is No Such Thing As A Natural Disaster is the first comprehensive critical book on the catastrophic impact of Hurricane Katrina on New Orleans. The disaster will go down on record as one of the worst in American history, not least because of the government's inept and cavalier response. But it's also a huge story for other reasons; the impact of the hurricane was uneven, and race and class were deeply implicated in the unevenness. The book covers the response to the disaster and the roles that race and class played, its impact on housing and redevelopment, the historical context of urban disasters in America and the future of economic development in the region.

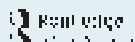


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Sustaining New Orleans

BARBARA ECKSTEIN

This book pursues two meanings of the phrase, "sustaining New Orleans." One is the perpetuation of the images and ideas and tales of New Orleans sustained in public memory. The other references the concept sustainability understood here to mean the struggle to balance the competing demands of social justice, environmental health, and economic growth. This book shows that widely read literature set in the city, has participated, for good and ill, in the framing of the city's problems, the proposed solutions to those problems, and the perceived effectiveness of those solutions.



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SPECIAL REPORT EMERALD CITIES

The environmental movement and the movement for a new urbanism come together in a quest for cities that are both affordable and sustainable. With more sensible land use and transportation strategies, and better use of scarce subsidy dollars, America could provide more livable cities with lower energy costs, as well as cities that are not just for the urban gentry. The federal government is not leading in this area, but state and local government and private foundations and businesses are. Two of the leaders are Enterprise Community Partners, with its Green Communities initiative, and Bank of America. We appreciate the underwriting of this special report by these two partners, and are particularly grateful to Stockton Williams of Enterprise.

A3 Green Common Ground

A conversation with Bart Harvey of Enterprise and Frances Beinecke of the Natural Resources Defense Council.

A6 Sustainable Cities

Smart growth is newly fashionable. But what will it take to turn fashion into national policy?

By Neal Peirce

A9 Healthy Communities, Healthy People

The importance of a greener built environment

By Georges C. Benjamin

A10 The New Environment for Housing

The market for affordable green housing shows promise. *By Jill Brooke*

With *Michelle Moore* on why green buildings matter

A12 Not Just for the Gentry

Can the "new urbanism" of green downtowns also provide affordable housing?

By Peter Dreier and Beth Steckler

A16 Help Wanted—Green

Green development could generate many new jobs—if America seizes the opportunity.

By Joan Fitzgerald

A20 A Gulf of Good Intentions

Can New Orleans rebuild along green, sustainable, affordable lines? *By Kellie Lunney*



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Green Common Ground

Prospect Co-Editor **Robert Kuttner** spoke with **Frances Beinecke**, president of the Natural Resources Defense Council (NRDC), and **Bart Harvey**, chairman of the board of Enterprise Community Partners. The NRDC is one of America's leading environmental groups. Enterprise is a leading force for community development that champions equitable sustainable development. Beinecke and Harvey created a unique partnership called Green Communities to enlist the environmental community on behalf of affordable green housing, and advocates of community development to support environment-friendly building strategies. It was a partnership waiting to happen. Green Communities is a \$555 million commitment to make sustainable development the mainstream among affordable housing developers. It marks the start of a deeper collaboration between these two organizations and, their leaders hope, their respective movements.

ROBERT KUTTNER: What are the key elements of the alliance between environmentalists and the movement for affordable housing and community development?

BART HARVEY: Both communities have worked together as sponsors of the new green building standards. It's also about smart sites for housing. It gets into land use, which is going to be the big area of collaboration between environmentalists and developers of all kinds, not only community developers.

KUTTNER: Was this a hard sell with environmentalists, or perhaps not their top priority?

FRANCES BEINECKE: It wasn't a hard sell for us because we're deeply committed to advancing the green building movement. We'd been engaged in the development of the LEED (Leadership in Energy and Environmental Design) process in the U.S. Green Building Council. Historically, we have a major commitment to the urban environment. Some people look at cities as sources of pollution. We see a beacon of sustainability, the place where you could get much more efficiencies out of development and land-use patterns. So this wasn't a hard sell. It was a great opportunity to come together and find common ground.

HARVEY: In general, the challenge was to develop a set of criteria that would produce the maximum community-development impact for the least amount of additional capital, and the maximum amount of environmental impact by lowering energy cost and water cost, which are economic savings. We save money with smart growth and higher density development, because the second highest cost to low-income people is their transportation.

KUTTNER: What are some interesting stories of this playing out in actual communities?

HARVEY: Well, there are 139 Green Communities projects complete or in development and every one is a great story. One example, the first to participate, is Denny Park in Seattle. It's infill, mixed-use development in a revitalizing area. It's accessible to transit and features numerous environmental conservation features, especially dealing with storm water management. The developer, the Low Income Housing Institute, has learned to go green with virtually no additional costs.

KUTTNER: Do you need to take on the low level of government subsidies for housing, or is this more about doing the best with what we've got?

HARVEY: We are confident that sustainable affordable developments will perform better over time, generating significant financial savings, but we need resources to get green affordable homes built. Enterprise's commitment through Green Communities is \$555 million in financing and technical assistance. But that's just a drop in the bucket in terms of moving the whole industry. Federal funding is critical, but the reality is that it has been steadily declining for more than two decades.

BEINECKE: There are several other aspects to it not directly related to low-income housing. For instance, there's an initiative started by Mayor Greg Nickels of Seattle that more than 300 mayors have signed on to, committing to lowering their carbon emissions. They're looking at electricity coming in.

Almost 30 percent of carbon emissions are embedded in buildings. This can help all citizens.

CHANGING THE CLIMATE BY CHANGING HABITS

KUTTNER: So the big opportunities are the way buildings are built, how they use energy, and density as it affects transportation.

BEINECKE: You know, New York City has much more energy efficiency per capita than really any other major metropolitan area in the country because of the public transportation system and because of the density of the housing. So as we go forward with building, part of the green community's program is to ensure the transit is a very, very pivotal part of it, as we—if 30 percent of our carbon emissions come from cars, we have to provide that alternative to people to get to where they need to go through public transit, and that requires greater density.

HARVEY: Mayors and governors are way ahead of Washington on this, and it's not a partisan issue. To give just two interesting examples on that, Governor Mitt Romney worked with us to announce a \$200 million commitment to green affordable housing in Massachusetts and Mayor Gavin Newsom has committed to make all affordable housing in San Francisco sustainable in partnership with Enterprise. Those guys may not agree on much else. We found city after city, there's a hunger for this. It's about energy efficiency and water savings and smart materials. It's smart growth, which includes transportation. It's healthy housing. It's density, which is smart growth. It is a combination of factors that are sort of all rolled up into one, and people get it.

KUTTNER: Is there also a tacit technology and jobs policy here, with linkages to the development of new technologies for producing buildings that are more energy efficient?

BEINECKE: That's trans-

in many ways is the beacon of that because people can see it around them. In New York City, there are several commercial buildings built that are along green designs. It's catching fire not only among architects and commercial developers but also among those in the building trades. It's a very good place to be right now.

KUTTNER: What are the obstacles? If I'm a developer and I want to do this on the ground, what makes my life more difficult?

HARVEY: Site selection is a difficult part of it. Some green developers have come to us, and said they can't meet the site requirements around amenities and public transportation. Rehabilitation can be challenging, too. Let's say you already have an existing building and you want to rehab it along green lines. But it's facing wherever it's facing, and it can't take advantage of some of the integrative green designing that you need, and there's some real cost issues in that. Also, in the process of rehab of rural areas, or getting sites that are near transit, there is a challenge in getting the density that you need.

BEINECKE: If you're using new approaches, you also have to amend the building codes so that they make these new approaches possible. Another is just having people in the building trades be trained and familiar with the new practices. There's a learning curve—getting enough people knowledgeable about it that it becomes routine rather than something that's unique.

HARVEY: Let me give you another example on the ground. It's also about the mentality of the property managers. There is a building manager in one major city we work in that has become a great property manager for green. They advertise it that way. It's a competitive advantage for them; they had to ditch all of their big buying contracts to get materials for cleaning; they committed that they would meet green criteria, and they couldn't use insecticides to get rid of the rodents. To get economies of scale, they have to in big enough blocks that they get lower cost from their manufacturers.

Bart Harvey: It's about our built environment; it's about our interdependence not only with other people but with nature.

lated in many different forms—developing the new technologies that would go into building using everything more efficiently: more efficient

appliances, light bulbs, using wood more efficiently, the way the buildings are manufactured.

What has really shifted dramatically, in about the last 18 months, is the way people think about these issues. Rather than thinking that to be environmentally conscious you have to be penalized and controlled, now to be an environmentalist you're an innovator. You're looking at new solutions that really address these issues. And the green building movement

They are retraining their people on how to take care of solar and other aspects of green buildings. So part of our effort was for market transformation. As you promote enough of this technology, you lower their costs; you make it worthwhile for larger-block buying, which gives you discounts with all of your suppliers. You have enough trained people in it that can train others. You begin to get to a tipping point where it becomes mainstream rather than a one-off, and market pricing is critical in all of this.

KUTTNER: What else would you like to see the federal government do or not do?

BEINECKE: Some of it doesn't relate directly to housing—but to new energy policies that promote the solution. So we're looking for renewable portfolio standards that would require that



a certain percent of the energy produced is generated by renewable energy, which could be solar, wind, or biomass. This area of policy is growing, for several reasons. One is to promote energy independence and energy security in the country but also to deal directly with global warming. More than 20 states now have renewable portfolio standards, typically 15 to 25 percent, but we think there should be a federal standard so that this gets “incentivized” across the country and develops a strong market for renewable power.

Many of the new people coming into the new Congress have put energy policy at the center of issues they want to take up early in the 110th Congress. So we will be working hard on making sure that there's promotion of efficiencies and renew-

They've been separated, and both of us have suffered at times, like under this administration and in certain states we've been pitted against each other where the governor comes and says, “Well, we only have so [many] resources and we're going to take from the community developers and give to the environmentalists.” In Florida a few years ago a coalition of groups got together and said, “No, you're not. If you want to fix the Everglades, you aren't going to take it out of the community developers; you're going to find some more money to fix the Everglades.”

Frances Beinecke: Some of it doesn't relate directly to housing—but to new energy policies that promote the solution.

ables to maximize the tools that are available to people like Bart, as they are promoting green, affordable housing.

HARVEY: The federal government can lead by example. The General Services Administration, which rents and builds office space for the government, has already adopted sets of green criteria for its new buildings that it does itself. The federal government can also promote sustainable development through modest changes to existing programs, such as providing points for green projects in competitive allocations of federal grant funds and by working with national organizations like Enterprise and the U.S. Green Building Council to raise awareness and provide training.

MORE GREENBACKS FOR GREEN

KUTTNER: Is more direct federal financing something you'd welcome?

HARVEY: Yes, but we recognize the budget issues. The only way it works at scale is to assemble federal, state, and local resources together. States administer the federal low-income housing tax credit, which is the most important affordable housing program. We have been working with state agencies to encourage sustainable development through the program. There are also a bevy of state and local resources for solar and other renewable energy and energy efficient building. In our projects, we try to roll them all up and to produce enough critical mass using low-income housing tax credits on the rental side to make a real difference and then roll in the other credits so that they work along with the tax credit.

KUTTNER: How do the constraints on resources limit what you can do?

HARVEY: In the past, environmentalists have sometimes been pitted against community developers for resources. Very different bases support the environmental movement and who supports the community movement, but they really are parts of the same movement for a better built-out country that makes more sense and has less environmental damage that goes with it.

These two forces are just beginning to feel each other out.

It's not perfect, but the environmentalists see something that's critically important. What we're trying to do is to have a progressive agenda, to really look at areas where we can work together and ultimately get to the biggest and most difficult set of issues, which are around land use.

BEINECKE: Bart and I have co-hosted exchanges between the two groups. We went to a meeting of the community development groups that Bart hosted, and then he and Stockton Williams of Enterprise came to a meeting of all the national environment groups that we hosted. It's not so much that we've been pitted against each other, although in certain instances people have tried that. It's really more that these communities have focused on our own agendas.

HARVEY: In the Pacific Northwest, there is a Cascadia land plan that we're backing, and we had a meeting of all the environmentalists and all the community development people to say, we need to back it and we need to defeat some bills that were going to kill it. We need to get together and allow the growth that needs to occur and do it in the right way. It is about people; it's about our built environment; it's about making cities work; it's about our inter-dependence not only with other people but with nature and the world that sustains us.

BEINECKE: What's increasingly happening, and it's not only happening here, is that there is a lot of commonality, and those of us in various sectors are realizing that we have greater opportunity if we have broader alliances. We may not agree on everything, but there may be a few areas of common purpose where coming together makes us just a much stronger force. One of the key issues to promoting sustainability is to have a healthy and efficient built environment, because fundamentally environmentalism is about the well-being of people. It's about protecting our environment for people who are experiencing it in their air, water, food, and homes. **TAP**



Sustainable Cities

Smart growth is newly fashionable. But what will it take to turn fashion into national policy?

BY NEAL PEIRCE

A “GREEN REVOLUTION” IS BURGEONING IN America’s cities and towns.

And it’s a surprise. Six years ago, as we exited an economically exuberant but perilously polluting 20th century, the idea would have seemed chimerical. True, by the 1990s we’d begun to talk about community and global sustainability; President Clinton even appointed a White House council on the topic. But the conversation proved to be a tad ahead of its time. It exhibited little of the intensity with which the green ideal is today being talked up, and in some places, truly implemented.

A set of mix-and-match developments explain the change. Foremost and scariest among them is the mounting scientific evidence of fast-advancing, potentially cataclysmic global climate change. Then there is the growing realization of oil’s short-term future in the dangerous world that September 11 dramatized. Among the results are heightened interest in hybrid cars and renewed focus on wind farms, solar energy, bio-fuels, and other renewables; a burgeoning “smart-growth” movement in our states and regions; worry on the health front about sedentary lifestyles, obesity, loss of natural connections; green roofs and strong revival of urban parks; and breakthroughs to pinpoint waste and pollution in our great infrastructure systems, enabled by more sophisticated geographic information system (GIS) technology.

If the new, green, urban alchemy has an epicenter, it’s Chicago. Once the embodiment of smoky factories and belching locomotives, the erstwhile City of the Big Shoulders has led the new green wave with beds of flowers and blossoming pots hung from new downtown street lamps.

A big share of the Chicago credit goes to Mayor Richard J. Daley and his allies. There’s a green roof on City Hall and greenery along roadway medians stretching out into the neighborhoods. Asphalt schoolyards have been converted to grass, vacant lots turned into community gardens, greenways and wildlife habitat nurtured. Major reinvestment is occurring in the city’s 570 parks, 31 beaches, and 16 historic lagoons. And there’s a dramatic “big splash”—3-year-old Millennium Park, \$475 million worth of lush greenery, sculpture, fountains, and more on the

lakefront that’s drawing 4 million visitors a year, many to its stunning outdoor music theater.

Says Chicago Alderman Mary Ann Smith: “We’re creating places people want to be, not places people want to flee.” In fact, Chicago has registered America’s most dramatic “back-to-the-city” movement, with tens of thousands of new downtown residents.

CITIES TAKING THE LEAD

But Chicago is no exception. From Philadelphia to Seattle, Boston to San Diego, city officials agree that green urban settings are a critical draw in an era when highly educated, mobile professional workers—the economic gold of the times—gravitate to attractive, welcoming, and healthy places.

What’s more, claim the apostles of green, property tax yields from homes and apartments near parks are significantly higher. Tree-lined streets alone increase property values some 15 percent.

Quite quickly in this decade, the familiar definition of “green” has advanced from trees and plants and parks to a much more inclusive vision of city and metropolitan planning. Moreover, it now comprises an array of environmental issues, including energy saving and renewable sources, reduced burning of fossil fuels, cleaner air and water, improved wastewater removal systems, and redevelopment of “brownfields” sites.

Energy standards for buildings—the familiar LEED standards of the U.S. Green Building Council—are a case in point. They’re quickly advancing from handfuls of pioneering buildings to a preferred benchmark in new construction. Despite the 2 percent to 4 percent price premium for fully energy-efficient buildings, a growing number of businesses are opting for a LEED standard. Part of the justification is long-term energy savings; another rationale, increasingly cited, is the dramatically increased productivity reported among employees in quality green structures.

Increasing numbers of city governments are moving to the standard that Salt Lake City set recently—requiring LEED approval for any of its own buildings, plus *any* commercial or residential buildings that receive city funding. “High-perform-

ance buildings should be the norm,” says Salt Lake City Mayor Rocky Anderson. “Municipal governments have a huge role to play in bringing about that progress.”

On the nonprofit side, pioneers in big-scale green building are Enterprise and the Natural Resources Defense Council (NRDC). Their five-year goal, announced in 2004, is 8,500 “environmentally sustainable” and affordable new homes, and a move to make sustainability the mainstream in affordable housing. And not just in construction: The new housing they support must be compact and land efficient, close to transit, and in neighborhoods with ample sidewalks and pathways and shops within walking distance. The idea is that with less auto dependency and easier access to public transportation and jobs, low-income families will have to spend much less on transportation than they now do (on average, 40 cents of every dollar of income at the poverty line). Fewer workers will be forced into long commutes and even more encouraged to walk, with ricochet benefits in saving energy, reducing obesity, and improving overall health.

But what about standard market housing, in typical neighborhoods? Developers nationally are now being asked to “act green” as the U.S. Green Building Council, the NRDC, and the Congress for New Urbanism (CNU) create and promote a new LEED-ND (“neighborhood development”) standard. “Under this vision,” says Chicago architect Doug Farr of the CNU, “both urbanists who pick bad regional sites, and green building practitioners who ignore location and context, will be dancing with dinosaurs.”

A LOCAL RESPONSE TO A GLOBAL CHALLENGE

All these developments link closely to the big climate-change issues of the time. Indeed, global warming has moved quickly up the agenda list of many cities and counties despite—or, arguably, in reaction to—the Bush administration’s studied indifference. The U.S. Conference of Mayors last June voted to call for sharp reductions in fossil fuel use in all buildings—both for construction as well as heating and cooling. Their stated goal is to make the nation’s building stock “carbon-neutral,” using no more fuels made from oil, coal or natural gas, by 2030. The stakes are immense: Buildings account for 48 percent of all U.S. energy consumption (well ahead of transportation at 27 percent and industry at 25 percent).

In Seattle, King County Executive Ron Sims is advocating a 2050 mindset. Assume, says Sims, it’s already mid-century and one’s looking backward to see which of today’s major infrastructure and building decisions—for big highways or public transit systems, for example—make sense on the basis of their carbon impact. Meanwhile, Seattle Mayor Greg Nickels issued a “Kyoto Challenge” to the nation’s mayors, asking them to pledge they’d meet, in their cities, Kyoto Protocol goals of reducing global warming pollution levels to 7 percent below 1990 levels by 2012. At latest count some 320 mayors—representing 50 million U.S. residents—had signed on.

Seattle and King County initiatives run all the way from partnering with General Motors on development of the country’s first and largest hybrid diesel bus fleet to increased por-

tions of biodiesel in vehicle fleets, from the nation’s largest hydrogen fuel-cell project (using methane gas from a sewage plant) to efforts to reduce the big carbon footprint of the diesel-burning ships, trains, and trucks that use the city’s busy port.

There’s also official support for a new “Cascade Agenda,” a 100-year conservation and preservation plan for 2.6 million acres of the Puget Sound region’s most prized waters, mountains, and communities. The focus is first on channeling



The Greening of Downtown: Chicago's new Millennium Park

growth into denser, well-planned cities, second to save rural lands by a massive new market-based transfer of development rights initiative, and third, with expanded greenery, to create a significant “carbon sink,” forests that absorb carbon dioxide emissions.

Back on the East Coast, green revolutionaries in Philadelphia’s Office of Watersheds are lead exponents and practitioners of new ways to “daylight” streams turned into culverts. They’re working to catch and filter severe storm waters so they don’t carry oil and corroding junkyard metals from paved surfaces, not to mention untreated sewage, into rivers and streams. The idea is to adapt city parks, roadways, lawns, and yards with swales and other systems that can absorb and slowly filter water. The vision: to make all of Philadelphia into a kind of great, green sponge that handles its runoff more naturally and assures clean and reliable water for fishing, swimming, and drinking.

Philadelphians have also formed the Schuylkill Action Network (SAN), recognizing they’re located downstream from 100 miles of riverside and 2,000 square miles of potentially polluting farms, mines, and factories. Federal and state agencies, plus dozens of upstream communities, belong to SAN—a prime example of how virtually every environmental challenge is regional, and needs to be addressed that way.

Today’s roster of green initiatives knows practically no limits. It includes massive tree replanting efforts; conversion of hundreds of miles of once-industrial urban waterfronts to parks and greenways and millions of acres of protected farmlands

and forests; concerted efforts to build green schools in which children learn better; and campaigns to expand locally based agriculture and farmers' markets and decrease the pollution from trucks carrying foods over thousands of miles. In Seattle, there's a Hope VI public housing/mixed-income project, High Point, that stands out as an entire green community, with its high old trees identified by community youngsters and then protected, creative plantings, a thriving community garden, sidewalks and streets tied into a "natural" water drainage system, and new energy-efficient condos and townhomes.

Out across the nation, there's fast-growing demand for public transit to save energy and transit-oriented development to curb sprawl. The move for major regional rail systems has now reached far beyond New York and Chicago, Boston and San Francisco to traditionally auto-dependent cities like Dallas, Denver, Salt Lake City, Phoenix, Albuquerque, Houston, and even Los Angeles.

TERMINAL CONSUMPTION?

Yet however welcome, even startling, the new developments seem, the somber truth is that the great ocean liner *U.S.S. Consumption* has so far shifted its direction barely a degree. With 4.6 percent of the world's population, the United States continues to burn a quarter of the globe's fossil fuels and to emit 25 percent of its greenhouse gases. Carbon dioxide emissions continue to climb and power companies claim a need to build 150 new coal-burning plants to slake our electric power thirst. Bigger and bigger houses, SUV road and gas hogs, vehicles for all members of the family, massive freeways and proposals for even greater ones, new gadgets by the dozens, near-lethal sugar and fat content of fast-food fare, the right to bloat our bodies and then count on the medical machine to fix them—we seem to want, and expect, it all.

And dwarfing campaigns for green values, the public is constantly exposed to the advertising budgets of GM, Ford, Wal-Mart, Pfizer, McDonald's, and the like—many billions of dollars a year, outweighing, by a factor of hundreds, efforts to educate Americans to a more conserving lifestyle.

Single-occupant auto commuting continues to grow, and carpooling and walking keep declining. Notwithstanding the decade-long push for "smart-growth" policies to protect the natural watersheds, the open fields and forests around our towns and cities, any check of existing zoning around the nation shows immense tracts of land zoned for added development. "You can't deal with sustainability [and] climate change if we insist on covering our open lands with one-, two-, three-acre house plots," notes Robert Yaro, president of the New York-area Regional Plan Association.

It's possible, if not likely, that carbon caps, monster storms, and global oil emergencies will soon alter the status quo more rapidly than anyone today imagines. Green has to be the future, many of its advocates argue, because in a resource-short and turbulent world, the American consumption lifestyle of the last 60 years will prove itself simply unsustainable.

In the meantime, the very best hope undoubtedly lies in the growing numbers of citizen groups and elected local officials

who sense the changing world around them and have led today's remarkably broad search for fresh, new, green approaches.

Along the way, there are steps that could make an immense difference. One is a focus on the other green—money. We are beginning to see the dramatic, long-term savings that can be realized from green buildings and their reduced operating costs and increased property value. There's growing market acceptance of new green product lines, combined with the rapid growth of new clean technology funds. Green neighborhood and city planning, green water and power systems are on the rise. As a green economy emerges and proves its staying power, the momentum toward change will surely rise.

Health awareness should help too—demonstrating to the public the dramatic health benefits of green approaches and lifestyle, overcoming misleading, potentially disease-dealing advertising.

Government codes and regulations are another promising field for reform. Many of today's zoning and land-use regulations, building codes, and rules were written in response to public health and safety issues of a century ago, from tenement buildings without running water to slaughterhouses invading residential neighborhoods. Today we're stuck with sterile zoning and restrictions on building materials and methods alarmingly out of sync with present-day needs. A concerted effort by state and local governments to untangle obsolete building codes and set straightforward new standards, and to revamp outmoded zoning with modern and more flexible codes, could give a strong boost to the emerging green revolution. For example, zoning of the post-World War II era encourages "pods" of development—residential, office, and retail. The result is multiple auto trips that mitigate against compact, mixed-use, energy-efficient development.

Then there's the challenge to the professionals—the architects, planners, designers, engineers, builders, utility representatives, city and county housing officials, and others engaged on the front line of building and reshaping communities. Historically—and often, still today—they have worked sequentially, first doing the land planning, then the underground pipes, then roadways and buildings and so on.

In a smart 21st century, that won't do. It costs too much and it misses opportunities for better aesthetics, energy efficiency, and quality of life. The time's at hand to move from silos to systems. It's the right moment to ask the professionals to start thinking more broadly, to work closely with colleagues from the other disciplines from start to end of any project.

Green value sounds and is environmental. But it's so much more. It also stands for connectivity, intelligence, smart systems, and creating a 21st-century world that has a chance of being *truly* sustainable. **TAP**

Neal Peirce's weekly column, focused on new developments in states, cities, and regions, is syndicated by The Washington Post Writers Group. He is also chairman of the Citistates Group (www.citistates.com), a network of journalists and civic leaders focused on building sustainable 21st-century metropolitan regions.

Healthy Communities, Healthy People

BY GEORGES C. BENJAMIN

IWORK JUST BLOCKS FROM ONE OF the poorest areas in Washington, D.C. There are liquor stores, convenience stores, and gas stations, but nothing resembling a grocery store with fresh, affordable produce. The playgrounds are dilapidated, with rusting swing sets and forlorn basketball poles. Kids don't have safe places to play, and adults don't have easy access to exercise.

Miles away in my quiet suburban neighborhood, kids are bused to school because the main route isn't safe for walking. Likewise, the nearby supermarket sits across a busy, four-lane road.

While suburbia is a far different environment than the inner city, one factor directly affects human health no matter where we live: the "built environment." The built environment—the places we live, work, play, and learn—can dramatically influence our health. Stress and poor nutrition lead to heart disease. Ending the day on the couch instead of strolling around the block promotes obesity. In neighborhoods without a pharmacy, residents skip recommended doses of critical medication. And in those lacking access to preventive health services, children and adults may risk their very lives.

A healthy community, on the other hand, gives residents access to nutritious foods, daily exercise, clean air outdoors and indoors, convenient public transportation, and much more. With increased understanding and research supporting the link between community design and public health, we are seeing more such communities rise up across the nation. Meantime, our public-health colleagues are telling everyone who will listen: *Healthy communities help make healthy people.*

Senator Barack Obama of Illinois and Congresswoman Hilda Solis of California have elevated the issue by introducing the Healthy Places Act of 2006, the first legislation aimed at comprehensively addressing the health of communities. It

would provide state and local grants to support healthy development, and spur new research on the link between environment and health, as urged recently by the Institute of Medicine. It would also encourage local "health impact assessments," much the way environmental impact assessments are mandated for new construction today. The idea is to help factor health into community design—and to prevent healthy communities from being engineered into extinction. Other recent legislation to promote healthier communities enjoys bipartisan support.

Already, we have innovative models to guide our way. During National Public Health Week last April, we recognized five blue-ribbon communities that illustrate what a healthy community can be. One, Centennial Place in Atlanta, was formerly a crime-ravaged public housing project, one of the nation's oldest. Razed and rebuilt mainly with federal funds, it is today a diverse, mixed-income community, blending affordable and public housing units with market-rate homes, recreational facilities, and a magnet elementary school. Hazards like lead paint and outdated plumbing are gone, and crime has dropped some 90 percent, making it a dramatically healthier environment for residents and neighbors alike. (Our other "blue-ribbon" winners were in Riverside County, California; Denver, Colorado; Delaware County, Ohio; and Richmond, Virginia.)

CHILDREN ARE ESPECIALLY VULNERABLE to the types of environmental contaminants that arise when communities aren't healthy—smog that leads to asthma, lead-based paint that can cause developmental delays and learning disabilities, and obesity linked to poor diet and exercise that is threatening to become the nation's leading cause of death.

Unfortunately, low-income residents and people of color, who already face

higher rates of premature disease and death, also disproportionately live in communities with the worst built environments. Yet in wealthier suburbs, healthy investments are often overlooked, too.

The lack of smart growth in suburbs translates into neighborhoods that lack bike paths and parks, that are too far from offices, schools, and shopping centers for residents to walk, and that are inaccessible to public transportation. The health of our nation's suburban population is suffering, with much of America growing more sedentary and at greater risk for preventable diseases such as heart disease and diabetes.

What's the fix? A comprehensive commitment to building healthy communities around the needs of individuals—with access to health care, affordable and secure housing, social networking, fresh food and clean air, public transportation, safe sidewalks, streets, and playgrounds. The federal government's Healthy People 2010 report describes a healthy community as "one that continuously creates and improves both its physical and social environments, helping people to support one another in aspects of daily life and to develop to their fullest potential." We agree, and are working daily to realize that vision. **TAP**

Georges C. Benjamin, MD, FACP, is executive director of the American Public Health Association (www.apha.org).

RESOURCES

For more on building healthy communities for healthy people, see:

American Planning Association:
www.apa.org

California Endowment:
www.calendow.org/program_areas/disparities_in_health.stm

CDC's Designing and Building Healthy Places program:
www.cdc.gov/healthyplaces

EPA's Smart Growth program:
www.epa.gov/smartgrowth

Local Government Commission:
www.lgc.org

Prevention Institute:
www.preventioninstitute.org

The New Environment for Housing

With a few crusading advocates to lead the way, the market for green affordable housing shows promise.

BY JILL BROOKE

STARTING OUT, RICK GOODEMANN WAS A MINNESOTA construction worker hired to refurbish a dilapidated building that had served as low-income housing for the Department of Housing and Urban Development. He remembers feeling a sense of waste in hammering away at a project that should have been properly built in the first place but, because of poor design, had disintegrated into disrepair. Further frustrating him, the houses hadn't appreciated for the buyer nor become an asset to the community. Instead, he said, he was merely putting a Band-Aid on a bigger problem.

The experience motivated him to get involved in local planning boards. Recognizing that developers had created high-end gated communities with highly efficient use of space and materials, Goodemann thought of applying similar design elements to affordable housing when he helped launch the Southwest Minnesota Housing Partnership, a nonprofit community development agency, in 1992. An early student of environmental products, he also wanted to utilize systems that reduced heating and cooling costs and conserved water.

His first major project, Nicollet Meadows in St. Peters, Minnesota, was unveiled in 2003 and got a big splash of publicity. Its success snowballed into many new developments that have earned him lasting respect and financial reward. Now the partnership's executive director, Goodemann has built 5,800 housing units with a \$210 million investment. "We found that building these houses reduced energy consumption by 30 percent, and that money could be applied to other parts of their life—including, from a builder's perspective, affording a more expensive house," he says. "Sounds like a no-brainer, right?"

More affordable housing developers are starting to think the same way. Affordable developments incorporating energy-efficient technologies, healthy building materials, and environmentally smart site planning are coming on line in urban and rural areas across the country. Enterprise has, to date, supported more than 8,500 green units in 139 developments in 23 states, including one with the Southwest Minnesota Housing Partnership. Referring to the early green pioneers as "heroes," environmentalist Robert Kennedy Jr. notes that "it takes someone to lead and believe, and then others will follow."

"Low-income families and communities are especially likely to benefit from lower energy bills, healthier environments and better planned communities," according to Dana Bourland, who directs Enterprise's sustainable development activities through the Green Communities initiative. "Enterprise's goal is to make green the mainstream in affordable housing. We shouldn't settle for anything less."

Such a market transformation will take time. Green building is still a new concept to many in the affordable housing industry. One big obstacle can be finding professionals to apply the green technology. Sheila Greenlaw-Fink, executive director of Community Partners for Affordable Housing in Oregon, remembers the early resistance from architects and contractors to change the way they did business. Unfamiliar with materials such as fly ash in concrete or engineered lumber, many builders weren't sure how it would affect their installation or warranties.

Even before choosing technologies or materials, affordable developers need to adopt whole new ways of thinking. "In the past, architects made plans, contractors built them, and rarely did their consultants and subcontractors ever come face to face," says Greenlaw-Fink. "With green building, you need the team integrating design strategies from start to finish." A wetlands scientist may have to make their case directly to a civil engineer designing storm management systems, and contractors may be asked to modify parking lots and grading to protect trees. "It's far more complex, but also far more rewarding," Greenlaw-Fink says.

Her group recently completed a green development called Oleson Woods. Located in a suburb near Portland, the development had to overcome initial resistance from some in the community who held negative stereotypes of affordable housing. Going green helped, and now Oleson Woods is widely seen as a community asset. Its 32 townhomes all have energy-efficient appliances, superior insulation, and state-of-the-art ventilation systems. The project also enhanced the surrounding environment, expanding a wetland, and preserving the mature tree canopy.

"Oleson Woods is a national model in a number of ways," says Bourland of Enterprise, which provided assistance and funding. "Most notably it shows that sustainable development encompasses both better-performing buildings and smart

land-use solutions for the surrounding site—maximizing benefits for families and the environment.”

RIPPLE EFFECTS

The rise of green building in the affordable-housing sector is at the leading edge of growing interest among market-rate builders. A survey by McGraw-Hill and the National Association of Home Builders says 2007 may be a turning point for the green-home market, with construction up 30 percent over 2006 alone. By 2010, 5 to 10 percent of all new home construction should be green, they predict—or as much as \$38 billion of the market.

This expanding interest in the larger residential real-estate industry is likely to create ripple effects among architects, contractors, and suppliers—boosting today’s momentum toward broader green design, experts say.

The affordable housing market has also benefited from Hollywood’s brigade of enviros—as well as from forward-thinking business leaders who embraced and financed innovative green design early on at a premium price. These affluent customers “helped transform the market by purchasing the more expensive products,” says Dennis Creech, one of the pioneers in green residential development and the executive director of the Atlanta-based firm Southface. Green prices have come down as demand increases—like they’ve done for plasma TVs. The well-heeled “test-marketers” also found kinks in the system—things like the problem of mold in overly insulated houses, which led

to better ventilation technology that’s now being used in more modest homes, too.

To accelerate industry change, Enterprise and the U.S. Green Building Council have announced a partnership to expand education, provide training, and cut the costs of green affordable housing. “Enterprise and USGBC’s partnership is a sign that affordable housing is an important part of the green building movement,” Bourland says.

Similarly, benefactors like Bank of America and the Home Depot Foundation have been out front—variously providing business leadership, financing, technical assistance, and more.

Another frontier for green housing proponents is quantifying the bottom-line financial benefits with more precision than has been possible to date. Enterprise is capturing data from its Green Communities portfolio to make the case to mainstream financial institutions that green affordable developments are economically superior to conventional projects.

Green housing champions see the tide turning their way because they say their approach is both the right thing and the smart thing to do. “Saving the world is hard to measure quickly,” said Greenlaw-Fink. “But with green building, you can see results in the short term. It just makes sense.” **TAP**

Jill Brooke is a freelance journalist and former CNN correspondent. Her first book, Don’t Let Death Ruin Your Life, was published in 2001.

Green Buildings Matter

BY MICHELLE MOORE

THE BUILDING INDUSTRY ACCOUNTS FOR about 13 percent of this nation’s gross domestic product. Buildings are responsible for 48 percent of all carbon dioxide emissions in the United States, they consume more than 70 percent of primary electricity and 12 percent of all potable water, and they generate about half of all municipal waste.

If our “built environment” is a chief source of pollution and climate change, it can also be a valuable source of solutions. And one such solution is to build green. Green buildings reduce carbon-dioxide emissions by 40 percent on average compared to conventional construction, while lowering energy consumption by some 35 percent, water consumption by 30 percent to 50 percent, and waste generation by 70 percent.

For more than a decade, the U.S. Green Building Council, whose mission is market

transformation of the built environment to sustainability, has been developing tools and programs that reduce the environmental footprint of buildings and communities while improving health and profitability. Its LEED Green Building Rating System pairs a voluntary standard for building green with third-party certification. To date, 59 local jurisdictions, from New York to Salt Lake City, 18 states, and 11 federal agencies have embraced LEED as a core component of their sustainability agendas.

The building council’s educational programs and publications, local chapter network, and partnerships with other organizations including Enterprise promote changes in how governments and corporations alike build.

An early commitment by government to build green develops the market for green technology and expertise by creating de-

mand. It also develops essential local capacity to deliver goods and services—which, in turn, keeps costs down, creates jobs, and drives innovation. Market-based incentives—things like fast-track permitting and density bonuses for LEED-registered projects—don’t add cost to government budgets, and provide benefits to developers.

Among the areas ripest for “green” innovation are America’s schools. A new study by Capital E, a clean-energy consulting firm, finds the average yearly energy savings in a single green school building could pay for two new teachers, or several hundred new computers, or 5,000 new textbooks. More than \$35 billion tax dollars will be spent on K-12 school construction in 2007, and that could make for a good start.

Global climate change has local effects—and local solutions that are already being pursued successfully in pockets around the country. Greening the building environment is one of them.

Michelle Moore is a vice president of the U.S. Green Building Council, www.usgbc.org.

Not Just for the Gentry

Can the “new urbanism” of green city neighborhoods, convenient to transportation and jobs, also provide affordable housing?

BY PETER DREIER AND BETH STECKLER

WE NEED TO IMAGINE A FUTURE IN WHICH Los Angeles is the greenest and cleanest big city in America,” Mayor Antonio Villaraigosa said in his April 2006 state of the city address. That’s a tall order when you consider Los Angeles’ long-standing love affair with the twin icons of suburbia—the car and the single-family home. Yet many agree with Villaraigosa that it’s time for Los Angeles to kiss the suburban sweetheart goodbye and start courting urban green.

After three decades of significantly improving air quality through tougher automobile emissions and factory standards, Los Angeles is losing ground again. The idling ships and trucks at L.A.’s port, the nation’s largest, are a major source of pollution. Proposals to “green” the port range from having docked ships turn off their engines and plug into electric outlets to encouraging rail rather than trucks to move containers out of the port.

But that still leaves the cars, which produce about half the air pollution in California. If current sprawl trends continue, more people will commute even longer distances on publicly funded highways. More than 18 million people live in greater Los Angeles’ 177 cities, five counties (Los Angeles, Orange, Riverside, San Bernardino, and Ventura) and nearly 35,000 square miles.

Between 2000 and 2004, Southern California, the nation’s second-largest metropolitan area, was also the second fastest growing, mostly on the urban fringe, 40 to 75 miles inland from coastal jobs. Two of the nation’s fastest growing communities, Rancho Cucamonga and Moreno Valley, are located 42 and 60 miles inland from L.A. Between 2000 and 2005, Rancho Cucamonga increased by 32 percent, from 127,000 to 169,000, while Moreno Valley spiked by 25 percent, from 142,000 to 178,000.

ENDLESS SPRAWL?

The combination of cheaper land and fiscally trapped small cities welcoming new single-family subdivisions, encourages developers to build on the suburban fringe rather than near the urban center. But the “externalities”—the economic and social burdens caused by traffic congestion, insurance premiums, potholes, pollution, and health problems—aren’t factored into the

costs that residents, and the public sector, have to bear.

Hardly any piece of open space seems immune. Environmentalists are currently fighting development of the 270,000-acre Tejon Ranch, 75 miles north of downtown Los Angeles. The Tejon Ranch Co. plans three large projects. Tejon Mountain Village would include a 23,000-acre resort with spas, boutique hotels, shops, and more than 3,000 homes. Its proposed Centennial project would replace more than 12,000 acres of grasslands, oak woodlands, and chaparral with some 23,000 homes and 1 million square feet of retail and commercial buildings. An industrial complex would destroy another 1,100 acres of farmland and grasslands.

Some portray Los Angeles as a model of the free market, with developers simply responding to consumer choices. But the patterns of how Angelenos live, work, and commute are not simply the result of millions of people making separate, individual choices. They also reflect government policies—about housing, transportation, zoning, taxes, business location, and others.

The average home in Los Angeles County sells for a cool \$500,000—affordable to just 19 percent of the region’s population. Several factors led to the price run-up: low interest rates, adjustable-rate and interest-only mortgages, and the failure of residential construction to keep pace with population growth. From 2000 to 2004, the area’s population grew by 1.6 million people who, assuming roughly three per household, needed about 533,000 new homes. Actual construction, however, was only about 350,000 units, a shortfall of 183,000 units—this during a residential building boom.

INSIGHTS AND OBSTACLES

Choices—and the relative cost of alternatives—are shaped by public policies. So any effort to address the region’s imbalance between the location of housing and jobs will require changes in government policy as well as changes in consciousness and individual behavior. For a progressive mayor like Villaraigosa, there are limits to what can be accomplished in one city—even a city as big as L.A.

Yet a growing number of government officials, planners, and environmentalists have begun redressing sprawl. In older cities

like Los Angeles, Pasadena, and Burbank, and even some newer suburbs, advocates of “smart growth,” “transit-oriented development,” and denser, pedestrian-friendly downtowns are making some headway. Some developers responded with proposals for denser projects along transit corridors.

But developers who want to build apartments and condominiums much closer to jobs and public transportation must contend with homeowner groups who fight such proposals. Visions of ideal single-family homes with two-car garages and free-flowing freeways are still etched in the psyches of many people who came to Los Angeles in the 1950s and 1960s. Even some newer arrivals shudder at families with children living in apartments, walking or taking the bus.

In fact, contemporary L.A. is a very different city than it was 50 years ago. Today, 60 percent of the population rents. Although renter households are relatively large, about a quarter have no car and another 45 percent have only one car. Ignoring these realities, homeowner groups cite increased local traffic, shortage of parking, and a loss of community character as reasons not to build in their close-in neighborhoods. Left unexamined is the need for housing, or the regional implications for traffic and air quality of building needed housing far from jobs.

Neighborhood groups’ concern about traffic and parking are often sincere, but sometimes they are camouflage for race and class biases, even in working-class neighborhoods. In 2003, a proposal by the nonprofit East LA Community Corp. to build a 49-unit apartment building and child-care center met intense opposition from local Latino homeowners who dubbed the proposed child-care center a “gang incubator.” The nonprofit persevered and completed the apartments and child-care center.

NIMBYism—Not In My Back Yard—isn’t confined to homeowner associations. Last year, the Walt Disney Co. fought a plan, endorsed by the city of Anaheim, to construct a mixed-income housing development—1,300 condominiums and 200 low-income apartments—just outside the gates of Disneyland, even though its many low-wage employees need affordable housing.

Land for affordable housing requires government subsidies, and public funds are in short supply. In Los Angeles, competition for land is fierce, for schools, parks, libraries, businesses, as well as housing. All this has driven up land costs. Plus, the cost of construction is spiraling. But despite these obstacles, L.A. is moving forward, with strategies that simultaneously address the problems of both pollution and housing.

GREEN SOLUTIONS

In January 2002, a grass-roots coalition of labor, housing groups, and faith groups pushed through a \$100-million-a-year housing trust fund. In 2005, voters elected Villaraigosa as mayor, who pledged to make L.A. a “green” city and to address housing shortages by building up areas of the city that already have subways, light rail, or rapid bus service, and expanding public transit. Last November, 57 percent of California voters—64 percent in Los Angeles—approved a \$2.8 billion state housing bond, targeted for the homeless, working-poor renters, and middle-income families priced out of homeownership. On the same day, over 62 percent of L.A. voters endorsed a \$1 billion municipal housing bond. Although it fell short of the necessary two-thirds, more than a majority of voters in 13 of the

15 city council districts supported the measure, which would have been paid for by an increase in property taxes. These votes reveal a critical shift in the electorate toward an understanding that government must complement the market to resolve the housing crisis.

Housing activists, environmentalists, and public transit advocates agree with Villaraigosa that one way to address these problems is to build more housing closer to public transit. But is there enough public transit in L.A.? The great trolley car system that crisscrossed Los Angeles in the early 1900s is the stuff of nostalgic postcards and conversations among train buffs. Extending far beyond Los Angeles into Orange, Ventura, San Bernardino, and Riverside counties, the network of rail lines and electric streetcars reached its peak in the 1920s. It was slowly dismantled in the post-World War II boom with the po-

litical support of the oil, auto, and highway lobby.

Not until the 1980s did Los Angeles again began to acknowledge the limits of its car-oriented culture. It began a transit system that now includes more than 1,400 miles of bus routes, that now carry 1.3 million people on weekdays. Given the sheer size of Los Angeles, bus service must be the backbone of the transit system, which is why the Bus Riders Union has fought so hard for improvements in the overcrowded buses even while rail is being expanded. Under the watchful eye of a court magistrate, the Metro has purchased hundreds of new buses and now boasts one of the cleanest fleets in the nation with 80 percent running on compressed natural gas. Innovations in bus services include 15 new Rapid Bus routes with about one stop every mile on heavily traveled routes. The Rapid Bus is a real boon to transit users who often must travel 10 to 15 miles across the city. But unlike New York, Portland, and other cities, bus riding in Los



Greater L.A.: Where sprawl finally hits a wall

Angeles is still seen as the option of last resort, utilized primarily by the working poor rather than the middle class.

To get more middle-class commuters out of their cars, public officials want to expand the region's rail system. Daily, more than 40,000 Angelenos use a burgeoning rail system with its regional commuter rail, a subway, three urban light-rail lines, and a bus rapid transit route. Metrolink regional commuter trains run along six routes over 416 miles to connect surrounding counties to downtown Los Angeles. Four subway and light-rail lines, covering 73 miles of the most built up areas of the city, have created faster alternatives to driving between downtown and Hollywood, the San Fernando Valley, and Pasadena. About 12 percent of people in Los Angeles use public transit to get to work, more than double the national average of 5 percent but far below Seattle's 17 percent, Chicago's 26 percent, and New York City's 52 percent.

Housing developers now prize building apartments and condos near transit stops and corridors. This "transit-oriented development" has become part of the regular lexicon of "smart-growth" advocates. In most cities in Europe and even Canada, this is simply part of the taken-for-granted culture. People live in denser neighborhoods, take buses, bikes, and trains to work, live above and near shops. But in Southern California, this is almost a revolutionary idea. With rail expansion over the past 15 years there are plenty of stations to build around: 62 rail stations in the Metro's urban rail system, and another 47 in the Metrolink's regional system. A key question is who will benefit, the new urban gentry, or the hard-pressed working and middle class?

SMART GROWTH AND AFFORDABLE HOUSING

Los Angeles City Councilman Ed Reyes, a city planner by trade, has pushed hard to include mixed-income housing near the new Gold Line station in Lincoln Heights, a predominantly Latino neighborhood close to downtown. Amcal Housing, a for-profit developer experienced in building affordable rentals, purchased seven acres adjacent to the station that was vacant after a furniture manufacturer shut its factory and moved elsewhere. On the site, Amcal and a local nonprofit housing developer called **WORKS** have built three residential developments: 165 condominiums, about 50 of which are affordable to middle-class workers; 102 apartments affordable to seniors on fixed incomes; and 121 apartments with rents affordable to low-wage working families. Counting two more developments under construction nearby—Amcal's 146 affordable family rentals and Livable Places' (see sidebar below) 102 for-sale condominiums—more than 600 new homes will be within three blocks of the station.

Happily, these new developments did not spark neighborhood opposition. First, they were built in a blighted industrial area that separated the Gold Line station from the residential neighborhood. Second, most of the rental apartments and for-sale condos are within economic reach of people living in the surrounding neighborhood. This is only possible because more than 75 percent of the new units are truly affordable to working-class residents. The high level of affordability reflects local Councilmember Reyes' commitment to mixed-income housing.

A different scenario played out four stops down the Gold Line in South Pasadena, which prides itself on historic preservation



Livable Los Angeles

IN 2000, A GROUP OF ENVIRONMENTALISTS and housing advocates founded Livable Places to promote new housing construction in neighborhoods with good transit as an antidote to continuing sprawl. With more than 150 nonprofits building affordable housing in Southern California, Livable Places (livableplaces.org) is unique in its dual strategy of both advocating and

developing housing using a smart-growth model. Livable Places both talks the talk and walks the walk.

One of its developments, Olive Court, with 58 new residences for owner-occupants currently under construction, is located one block from a light rail station in Long Beach. Another, Fuller Lofts, where a 1920s industrial building is being recycled into 102 condominiums, is just three blocks from a light rail station in Los Angeles. Both have great bus service and are close to downtown jobs.

Livable neighborhoods mean communities that are safer and pleasant for people to walk. At Olive Court, Livable Places has placed the parking at the rear, with front doors and windows facing the street to help create a more pedestrian-friendly street. Landscaping includes shade trees—welcome additions for pedestrians in the summer—and drought-tolerant plants to reduce water usage. Other green features:

formaldehyde-free insulation, double-glazed windows, ceiling fans, skylights that open for natural cooling in the summer, hydronic heating, fluorescent lighting, Energy Star appliances, low-flow showerheads and toilets, low-voc (volatile organic compounds) interior paint, and LEED-compliant cabinets and countertops.

Working with ACORN and Housing LA, Livable Places advocates supportive local policies such as building near transit, at urban densities, using a mixed-income model. Livable Places reaches out to educate neighborhood groups on the benefits of increased density. This coalition of groups uses every available tool to promote affordable communities: mixed-income housing requirements, protection of rent-controlled apartments from condominium conversion, protection of residential hotels from conversion to luxury lofts, and local housing trust funds to build more affordable apartments.

and high-quality schools. Progressive developer Michael Dieden, who managed Tom Hayden's state assembly campaign 24 years ago, built the Mission Meridian mixed-use development next to the Gold Line station. Designed by New Urbanist architects Elizabeth Moule and Stefan Polyzoides, the development is a model of new construction that reflects the bungalow architecture and small-town values of the surrounding community. Last year, 67 homes sold out during construction for \$350,000 to \$850,000.

When Dieden first proposed building multi-family rather than single-family homes on the site, opponents raised the specter of new residents bringing down vaunted school test scores and destroying the community character. With such a climate, affordable housing was never on the table. Even for fairly costly housing, it took Dieden four years to secure permission from the city to build. The opposition subsided after it became clear that the prices for the new units would far exceed what the neighbors paid for their own homes and that there would be no children from affordable housing projects in the local public schools. In the end the development succeeded in bringing tasteful density and vibrancy to a historic neighborhood, as well as 100 subsidized parking places for Gold Line users. What it didn't bring was any affordable homes to the people who work in the restaurants and shops in the area.

Pasadena, a polyglot city of 140,000 residents, adjacent to L.A., has been wrestling with the dilemmas of gentrification and revitalization for more than a decade. The Gold Line has six stops in Pasadena. City planners hoped to take advantage of this to invite mixed-income development, but the rail line immediately pushed land prices skyward. Del Mar Station Village was the brainchild of Urban Partners, a development firm that restored downtown L.A.'s Grand Central Market years before the residential building boom hit. Working with Moule and Polyzoides, they designed a mixed-use development that brings tremendous energy to an unremarkable low-slung commercial strip. The Gold Line tracks run through the middle of the site, which now has a seven-story apartment building, a restored train station, a plaza, ground-level retail and 1,200 subterranean parking places. Urban Partners was seeking approvals from the city in the midst of a debate over requiring some affordable units in every new development. The developer offered to make 6 percent of the apartments affordable as below-market rents and disperse them throughout the development.

Among developers, Urban Partners was an exception. Most developers oppose municipal mandates to incorporate affordable units in otherwise market-rate projects—a policy called “inclusionary” or mixed-income housing. They typically claim that it isn't financially feasible to include affordable units. But more than 100 cities in California—and dozens more around the country—have adopted some version of this mixed-income housing policy, and there's no evidence that developers have avoided doing business in these cities.

GREEN, AS IN GREENBACK

The same developers who claim “the numbers don't work” when it comes to including affordable housing in their projects change

their tune when it comes to parking. Using the very conservative figure of \$30,000 per underground parking place, the parking alone at Pasadena's Del Mar development cost at least \$36 million. To see how that compares to the costs of building affordable housing, consider that the total development costs for Amcal's 223 affordable rentals was \$34 million.

Our collective preference to park all the cars and let working people fend for themselves in a brutally tight housing market is a sad commentary on our priorities. So where will the secretaries, nurses, janitors, schoolteachers, security guards, hotel housekeepers, and waiters—the people who make the economy work—live? The gentrification of “newly discovered” older urban neighborhoods near transit often pushes low-wage workers out. One has to question the wisdom of pushing the very people who are walking and using public transit rather than driving away from transit.

A recent study by the Center for Neighborhood Technologies and Reconnecting America found that census tracts with transit zones are more racially diverse, are home to more low-income people, and have low rates of car ownership. Rather than catering to the perceived desires of higher income people who have transportation choices and more cars, the authors of the study recommend preserving rental housing near transit and targeting affordable and mixed-income housing at higher densities to transit zones.

Both of these ideas are now in play in Los Angeles. Several older neighborhoods with great public transit access—such as Koreatown, Westlake, and Echo Park—are gentrification hot spots. Developers are snatching up apartments for conversion into condominiums. In November, the city moved to restrict condo conversions when vacancy rates were too low, giving tenants groups like ACORN, the Coalition for Economic Survival, and Coalition LA a huge victory.

Villaraigosa's new planning director Gail Goldberg wants to target new residential development to transit zones as a matter of policy, not just to showcase pilot projects. But this could simply exacerbate gentrification unless the city also requires that such developments include mixed-income housing. Housing and labor activists in Los Angeles are pushing Villaraigosa and the City Council to adopt new rules requiring some affordable units in every new development for all new development across the city. There are hundreds of housing development projects in the city's pipeline, more than 50 high-rises in the downtown alone.

But without a strong mixed-income law and government subsidies to take commitments to scale, “green” housing will have a double-edged meaning: friendly to the environment, but too expensive for all but the affluent to afford. **TAP**

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Help Wanted—Green

Green development could be a big generator of good jobs—if America will seize the opportunity.

BY JOAN FITZGERALD

THERE ARE GOOD JOBS TO BE HAD IN ENVIRONMENTALLY friendly development, and construction jobs are just the beginning. Thousands of jobs are in products that go into green buildings. The job potential in renewable energy production is even more impressive. The Renewable Energy Policy Project estimates that producing 10 percent of the nation's electricity with renewable sources would create 381,000 jobs producing the component parts of the systems. Already, renewable energy (biomass, solar, wind, geothermal) employ more than 115,000 people directly. These new jobs more than compensate for on-going job loss in the coal and oil industries as clean forms of energy replace polluting ones.

Renewable energy is labor-intensive. It generates more jobs in construction, manufacturing, and installation per megawatt of power than coal and natural gas. These jobs start with research and development. They produce an array of goods and services from renewable energy itself to products made from high-tech or recycled materials. The majority of the jobs created would be in manufacturing, although there are many in operations and maintenance and in system installation.

These jobs, often called greentech or cleantech, could provide middle-class wages for hundreds of thousands of Americans while reducing our dependence on foreign oil and improving the environment. Producing for export could improve the balance of trade.

That's the potential. The reality is that we're falling behind other countries. Solar power was invented in the United States, but Japan and Germany moved ahead of us in production in the late 1990s and China is not far behind. In wind power capacity, we're behind Germany and Spain. We're also behind on enacting policies to spur the growth of cleantech industries—and it is public policy that drives research and development, as well as the employment that follows.

Forty-three countries have renewable portfolio standards that require a specified percentage of energy be from renewable sources by a given year. But the U.S. Congress has failed to enact such a standard for our country. Instead, states and cities in the United States are trying to fill the policy vacuum.

STATES OF GREEN

Twenty-three states now have energy portfolio standards. Seventeen states and 61 municipalities have legislation requiring that buildings funded at a given level from capital budgets and/or over a certain square footage meet LEED or other green building standards. These policies drive demand and bring down the unit cost of production.

Manufacturing the inputs to green buildings could help revive the economies of many states that have lost manufacturing employment, particularly if companies establish an export market. But producers have to know that demand is shifting to green products before they'll commit investments. If building products manufacturers are making such advanced products as fiber-optic day-lighting, pollution-removing systems, and goods made from pre- and post-consumer recycled content, the United States could actually lose jobs as contractors look to European and Asian suppliers, which are way ahead of America.

But there are some hopeful signs. In western Pennsylvania, the Green Building Alliance is trying to create a regional center for manufacturing green building products. Pittsburgh is already third in the nation in both the number and square footage of green buildings. The hope is to maintain and add to the area's 68,000 jobs in the building supply industry.

Part of the mission is education. Building green requires a higher degree of mutual planning and coordination among architects, engineers and builders. The Alliance provides technical assistance on how to do it and also works with manufacturers on researching and retooling to make new green products.

In October, the Green Building Alliance received \$250,000 from the Heinz Endowments and \$1 million from the Ben Franklin Technology Development Authority, Pennsylvania's technology-based economic development program, to promote product and production research and attract green manufacturers to the region. Ben Franklin gave another \$1 million to Philadelphia University to lead similar activities in the eastern part of the state. The two organizations are joining forces as the Pennsylvania Green Growth Partnership, a statewide alliance to help companies develop environmentally friendly building

products. The project will start by building a Web-based database of products and manufacturers to make it easier for contractors to find and use green products.

Carnegie Mellon University, University of Pennsylvania, and Penn State University have green building research and education programs. They have formed a statewide research and education consortium called INSPIRE, or Investment in Sustainable Practice and Industry via Research and Education. Penn State's architectural engineering department has incorporated LEED certification and green building methods into courses. Students design and build a green building every year. Faculty and students also provide technical assistance to businesses on going green.

More regional green building alliances are needed to provide technical assistance to manufacturers. The industry is geographically dispersed. Because building products are bulky and heavy, manufacturers tend to locate close to their markets. The U.S. Green Building Council has launched a program to establish local chapters, but most of these organizations are understaffed and lack the capacity of the Green Building Alliance.

Funding organizations like the Green Building Alliance is a good economic development strategy for states. But other state policies are needed to support green building as well. Pennsylvania is not one of the 17 states that require some level of green status (such as LEED silver certification) for state buildings or buildings that receive state funding. Green building requirements are needed to create a higher level of demand for green building products, making it less of a risk for manufacturers to shift to producing them. But legislation that would require all of Pennsylvania's state-funded buildings and renovations to be green and offer state tax credits for such building has been stalled in the Legislature.

However, Pennsylvania has acted on the renewable energy front. The Pennsylvania Energy Harvest program allocates about \$5 million a year in grants to companies to encourage investment in renewable energy sources, energy-saving production processes, and alternative energy production. The Pennsylvania Energy Development Authority (PEDA) can float up to \$1 billion in tax-free bonds to finance construction of energy projects. These programs are supported by a portfolio standard that requires 18 percent of electricity generation to be from renewable sources by 2020. Governor Ed Rendell needs to lead the way in this arena as he has on alternative energy. Many legislatures are skeptical because they are unfamiliar with the whole concept of green building standards and the multiple standards in use.

GOLDEN INITIATIVES

California stands out among the states in promoting both green building and renewable energy. It leads the nation in setting energy standards and in both venture and public capital investment in cleantech. If California were a separate country, it would rank third in the world in solar energy production, behind Japan and Germany.

This achievement reflects deliberate—and bipartisan—government policy. In 2000 then-Governor Gray Davis signed an executive order to increase green building, and created the Sustainable Building Task Force to implement the program. The

task force reports that energy performance standards have been in place in well over \$2 billion worth of state construction and renovation, including city and state buildings, public schools and universities.

In 2004, Governor Schwarzenegger signed an executive order requiring LEED silver or higher certification on all state-owned facilities paid for with state funds. It also requires reducing grid-based energy purchases for state-owned buildings by 20 percent by 2015. California's renewable portfolio standard mandates that state utilities produce 20 percent of their power from renewable sources by 2010 and 33 percent by 2020.

Investment is following policy. California State Treasurer Phil Angelides, also in 2004, launched the Green Wave environmental investment initiative, which commits two of the

state's public pension funds (California Public Employees' Retirement System and State Teachers' Retirement System) to investing \$1.5 billion in green companies and technology. As the first and third largest pension funds in the nation, the funds can prod companies to reduce their environmental impact. To date, CalPERS has placed \$200 million and CalSTRS \$250 million with venture capitalists investing in green technology firms, particularly renewable energy. The pensions will also invest \$200 million and \$250 million, respectively, directly in environmentally screened companies. And both committed to reducing energy consumption by 20 percent by 2009 in their real-estate holdings.

The Golden State's Public Interest Energy Research (PIER) program also invests in energy technology to the tune of \$62 million per year. Funding is targeted to the early development of companies producing alternative energy to position them as attractive investments to venture capitalists. Three other funds to support renewable energy projects top off the mix.

Policy initiatives are also responsible for California's third-in-the-world position in solar energy production. The state's Million Solar Roofs Initiative, passed in August 2006, is a 10-



year, \$3.2 billion incentive program that will spur the development of the solar industry and is projected to create 15,000 jobs. By guaranteeing 1 million installations, the initiative reduces the risk and cost of production for solar system manufacturers. The initiative, funded through a surcharge on electric bills, provides incentives to homeowners and businesses to install solar photovoltaic (PV) systems and requires utilities to buy back up to 2.5 percent of excess electricity generated by rooftop solar systems. Large home builders are required to offer solar systems as an option to buyers and to provide information on them. The initiative could create solar capacity equivalent to the output of 60 peaking power plants.

California is leading in production of thermal solar energy as well. In 2005, Stirling Energy Systems signed two 20-year power purchase agreements to develop a 500-megawatt solar installation in the Mojave Desert northeast of Los Angeles and a 300-megawatt installation in the San Diego area. Both may be expanded. The installations will have 20,000 and 12,000,

A federal standard for renewable energy—wind, solar, biomass, geothermal—would create new demand and stimulate technologies, products, and jobs.

respectively, curved dish mirrors that convert solar energy to grid-delivered electricity. The mirrors concentrate the sun's rays on the receiver end of a Stirling engine the size of an oil barrel. The process requires no water and is emissions-free. About 800 workers will be employed during construction and about 200 permanent employees will be phased in during construction for each project. Most will be employed in maintenance as "dish" washers, although a few skilled electricians, electronics and mechanical engineers, and engine mechanics will be hired as well.

All of these efforts have made California an attractive site for venture capital. The state receives more venture capital investment in cleantech than any other state. The National Resources Defense Council estimates that over the past five years California has received \$2 billion in cleantech venture capital investment, creating 124 new start-ups. Their analysis of venture capital investment in cleantech suggests 52,000 to 114,000 new jobs can be created in California by 2010.

MASS MOVEMENTS

On the opposite coast, Massachusetts attracted \$247 million in cleantech venture capital investment in 2005. Venture capital has started up 119 companies in the northeast in the past five years. The Massachusetts Renewable Energy Trust was established in 1998 to provide support for development and commercialization of renewable energy companies. Its \$62 million in annual revenue is funded through a surcharge on utility bills. The trust has two main investment initiatives, the \$15 million Mass Green Energy Fund, a venture capital fund and the Sustainable Energy Economic Development (SEED) Initiative,

which offers \$50,000 to \$500,000 loans for companies developing new products. SEED invests in companies in the research stage before they can attract venture capital. Since 2004, SEED has invested about \$2.2 million in seven renewable energy companies. Although these programs are relatively small in scale, Massachusetts is able to capitalize on its university-based research infrastructure.

The trust's \$2.5 million investment in Evergreen Solar in Marlborough in 2001 is paying off nicely. Evergreen Solar makes solar cells using string ribbon technology, which uses considerably less of the very expensive silicon used in most cells. The plant employs about 319 people, with 200 in manufacturing, 60 in science and engineering, and the rest in finance and administration. Most of the manufacturing jobs require only a high school diploma, or in some cases an associate's degree and a few years of experience. An agreement struck in October will have Evergreen shipping about \$100 million of solar cells to Mainstream Energy. Further, a joint venture, EverQ, with a German company will increase Evergreen's production capacity even more.

Nationally, venture capital investment in cleantech startups totaled \$1.4 billion in 2005, making it the sixth largest venture investment sector. According to a report by E2 Environmental Entrepreneurs and Cleantech Venture Network LLC, every \$100 million in venture investment in cleantech start-ups creates 2,700 direct jobs and \$500 million in annual revenue over 20 years, with many more indirect jobs.

Elsewhere, the Environmental Law and Policy Center developed a plan, Repowering the Midwest in 2001. Implemented, it would create almost 200,000 jobs and \$20 billion in investment by 2020 among the 10 states in the region. The plan sets goals for phasing in renewable energy production, particularly wind and biomass. Of the total, 36,800 net new jobs would be created in the production of renewable energy and 141,000 around introducing energy efficiency measures. In addition to energy efficiency investment funds like those in California and Massachusetts, the states would need to establish renewable portfolio standards to drive the job growth. But to date, only four of the states have done so and two of them are voluntary.

THE MISSING FEDS

What's needed, of course, is a federal renewable portfolio standard and a huge increase of public funds. A standard of 20 percent by 2020 based on wind, solar, biomass, geothermal, and landfill gas would create extensive new demand for renewable energy and stimulate new technologies, products, and jobs.

If ever passed, the Clean EDGE Act introduced in Congress in May 2006 would require half of new vehicles be gas-ethanol capable by 2020 and that 10 percent of the nation's electricity be produced from renewable sources by 2020. Further, it requires reducing national petroleum consumption by 40 percent

by 2020. According to the Economic Policy Institute, the associated \$49 billion investment to achieve these goals would create about 530,000 jobs. Most of these would be manufacturing jobs, about half in wind energy.

The Apollo Alliance advocates a \$300 billion federal investment over 10 years in energy conservation and renewable energy to create 459,000 jobs in renewable energy and 3.3 million in all related jobs. Instead, Daniel Kammen at the University of California, Berkeley, reports in *Scientific American* that all U.S. energy research-and-development spending declined from its peak of 10 percent in 1980 to 2 percent by 2005. “Annual public R&D funding for energy sank from \$8 to \$3 billion (in 2002 dollars); private R&D plummeted from \$4 billion to \$1 billion.” This compares to public R&D spending of \$70 billion for military purposes, \$11 billion for the space program, and \$2 billion for agricultural purposes.

The federal government does provide production tax credits and ethanol tax credits, and funding for some research into renewable energy. But the tax credits have been offered inconsistently, and haven’t created the secure environment needed to spur private investment in research and innovation.

RENEWABLE EUROPE

Compare this to the European Union, which requires 12 percent renewable electricity production by 2010, in addition to standards in place in all 25 countries. Germany’s standard sets a goal of 20 percent of electricity from renewable sources by 2020. The German Electricity Feed Law requires that most utilities pay 90 percent of the retail residential price for electricity produced from renewable sources. And the government provides subsidies for wind production based on electricity output or capital costs. German national banks offer loans at 1 percent to 2 percent below market for the first 70 percent of project costs for renewable production initiatives. These programs were fine-tuned in the early 1990s because concentration of wind energy in the northern part of the country (with higher winds) overburdened utilities there. Germany has been the world’s largest producer of wind energy in the world since 1997, producing three times the wind energy as the United States with less wind capacity than North Dakota alone.

It’s the same story in solar. Germany and Japan’s solar “feed-in” initiatives require utility grids to buy excess solar power from individual producers. The two countries now have a 70 percent share of global production and are industry leaders in solar electricity equipment. Japan produces about 45 percent of global solar PV production, the EU 24 percent, and the United States only 21 percent (2003 figures).

The Joint Global Change Research Institute reports that from a base of a few thousand jobs in the early 1990s, German employment in renewable energy jumped to 50,000 in 1998 and then more than doubled to its current level of about 120,000.

Germany will have to move into export markets to maintain, let alone expand, employment. It’s not that the United States has no production incentive policies in place. The problem is that no single program is funded at a level to have the kind of

impact needed to dramatically increase production, and thus employment. So, the United States is way behind in renewable energy production. If we want to create export markets for production equipment, we will need to develop capacity quickly. Kammen notes that only one of the world’s top ten solar PV module producers is a U.S. company.

MAXIMIZING THE JOB POTENTIAL

In the end, what is the overall job creation potential for the green economy? There are at least a dozen major studies that reach quite different conclusions. Some critics caution that a lot of “greenwash” is going on—claiming credit for jobs that would have been generated anyway or that merely replace old-economy jobs. We need more precise calculations of job growth opportunities.

A 2006 report by the Economic Roundtable, “Jobs in LA’s Green Energy Technology Sector,” illustrates the challenge. Among the industries named are water and sewer systems, waste collection, legal services, and animal processing. While the report acknowledges that these industries could supply green goods and services, the processes involved in producing them may or may not be green. Specific policies are needed to optimize the potential.

Part of the challenge is connecting jobs to training for new technologies. Many cities and communities are using green development as a new pathway to creating good jobs for residents of low-income communities. State governments need to work with their community colleges to plan ahead for developing curricula around cleantech jobs.

Many of the manufacturing jobs should be able to reemploy displaced workers or hire high school graduates with some technical training. Initiatives in Los Angeles, San Francisco, and New York are linking new green building projects and retrofits in low-income neighborhoods with apprenticeships or other job training programs in construction or other building trades. These are just the beginnings of needed programs in which green building projects in low-income neighborhoods are linked to apprenticeships or other job training programs.

The San Francisco area’s solar system installation companies report difficulty finding qualified installers for photovoltaic and other facilities. But training an electrician to install a solar system only takes a couple of days. Some shortages may be due to the industry’s reluctance to hire union electricians for these jobs. The International Brotherhood of Electrical Workers has established training programs for solar installation in New York and the Boston area that are adequate to meet demand.

There is a need for all levels of government to coordinate training policies, energy and environment policies, and economic-development strategies. This will be a big challenge, given a political tradition that disdains economic planning. But if we fail, America will have squandered a huge, win-win opportunity. **TAP**

Joan Fitzgerald, author of Moving Up in the New Economy, directs the graduate program on law, policy, and society at Northeastern University.

A Gulf of Good Intentions

Can New Orleans rebuild along green, sustainable, affordable lines?
That will take serious resources—as well as better cooperation.

BY KELLIE LUNNEY

BACK IN NOVEMBER 2005, BARELY THREE MONTHS after Hurricane Katrina, the Washington, D.C.-based Urban Land Institute presented its recommendations for rebuilding a post-apocalyptic New Orleans. One recommendation called for shrinking the city footprint, envisioning new, protected green space in areas deemed unsuitable for rebuilding. With emotions still raw, a city wracked by poverty and racism lashed out at what it perceived as another slap in the face. The public soundly rejected the idea, and so ultimately did Mayor Ray Nagin, who was re-elected a few months later.

“They presented to the public the plan, with giant green dots that said future park land,” says Jennifer Zell, a graduate student in landscape architecture at Louisiana State University. “People thought, ‘They are going to bulldoze this whole place and turn it into swampland.’ People wanted to rebuild.” But despite this setback, Zell believes that a strategy for sustainable development is one of the things that will save the city.

There’s a green cast to virtually every plan to rebuild New Orleans, and an army of planners, affordable housing groups, environmentalists, and government officials hopes to make it happen. Several of these organizations, including Enterprise and Global Green USA, have partnered on various efforts. But given the political infighting between the state of Louisiana and city of New Orleans, the slow pace of federal housing assistance and insurance settlements, and overall planning fatigue, the rallying cry for green is a little hard to hear—even for those who are otherwise receptive. Says John Knott, a sustainable developer and president of the Noisette Co. in South Carolina, of rebuilding in New Orleans, “If people can’t meet basic needs of housing and jobs, it’s hard to get them to think about tomorrow.”

Quite so. It’s more than a little ironic that a diffuse army of planners is seeing New Orleans as an opportunity to promote sustainable development, at a time when more than two-thirds of the city’s onetime residents are more concerned about having an affordable roof over their heads—one that will not blow away in the next big storm. To most locals, “sustainable” has

more to do with making sure the levees hold than with energy-efficient buildings or a new urbanism.

AFFORDABLE NEW ORLEANS

Pre-Katrina New Orleans was already a kind of new urbanist city for the working poor. It had relatively high density, affordable prices, one of the nation’s best ratios of income to housing costs, and an above-average rate of homeownership among African Americans, as well as fine parks and a decent system of public transportation—the key elements of the new-urban formula. Indeed, as the nation witnessed the tragedy of people trapped in the flooding city, one big reason why more residents could not get out was that nearly 35 percent of black households owned no cars, and relied instead on buses and trolleys.

Post-Katrina, tens of thousands of residents want to rebuild flood-damaged homes that are not fit for habitation but that could be reclaimed. The federal government has allocated \$10.4 billion in block grants to Louisiana but the money has been slow getting to people because of red tape and control over purse strings. At every level, the government has been bogged down in its own bureaucracy, while mold slowly ruins tens of thousands of homes that might be saved, and homeowners live in government-provided trailers parked in the front yards of their rotting houses. Only a fraction of flood-damaged homes have been repaired and re-occupied, fully a year and a half after Katrina hit.

So while New Orleans could be a model of green redevelopment, it remains a swamp of mold and frustrated hopes.

SMALL SUCCESSES

Still, the small successes suggest what might be achieved at a larger scale. Among the groups that are working to produce affordable green housing for the New Orleans area are Habitat for Humanity International, Enterprise, and Global Green USA, the latter being a combination advocacy group and green developer.

Habitat launched Operation Home Delivery on the Gulf Coast after the hurricane hit, and it has steadily delivered. It plans to have 1,000 homes rebuilt by mid-summer 2007, with more than 500 now under construction. The group has

teamed up with Enterprise and others on Gulf Coast reconstruction, adding more money and manpower to what's slowly trickling down the government pipeline. The amount of federal funds allocated just for rebuilding housing in the entire region is staggering—nearly \$17 billion, with Louisiana receiving the lion's share. And most of that money will go to homeowners.

Meanwhile, Global Green USA, the California-based nonprofit, has promoted the virtues of green building, but there's not much to show for it yet. Last summer, actor Brad Pitt chaired the organization's sustainable design competition for New Orleans. Global Green plans to break ground early in 2007 in the Holy Cross neighborhood of the Lower Ninth Ward, where a developer will build a mix of about 15 homes and a community center using the winning design from the Pitt-led contest. The buildings in the community will contain solar panels, geothermal heating, and there are plans for a cooling river turbine. The organization is also writing green guidelines for New Orleans schools that the Louisiana Recovery Authority (LRA) plans to incorporate.

Global Green also created a walk-in resource center to educate the public about green building practices and the cost benefits associated with energy efficiency. The center is open three days a week and features displays of 60 different green building materials.

Enterprise has partnered with HUD and Providence Community Housing, an umbrella group comprising Catholic Charities Archdiocese of New Orleans and other local organizations, to redevelop the Lafitte housing project in the Tremé neighborhood of New Orleans into a mixed-income community. The development will have 900 units—there were 865 before the storm, all of which are now vacant. Stockton Williams of Enterprise notes it's too early to say whether all units will receive the official LEED certification, but the development team will use those standards—as well as new benchmarks from the national Green Communities initiative, as a “framework to inform our planning and design in partnership with the community.” All 865 households who want to return to the Lafitte community will have the opportunity to do so, he adds.

SKEPTICAL RESIDENTS

Green building costs are heading south as the practice becomes more commonplace, but it still takes time for a homeowner to see the long-term savings. With federal housing assistance grants trickling to homeowners, and most rebuilding barely off the ground, installing solar panels is probably



This New House: The Louisiana Recovery Authority helps in the slow rebuilding process.

not high on the average resident's to-do list. But it can be easier and less expensive for developers to outfit a high-density, multi-family dwelling with energy-efficient features than a stand-alone home.

The Louisiana Housing Finance Agency, which administers the state's affordable housing tax credits, is awarding up to 25 bonus “points” to developers for proposed green buildings. And the Louisiana Recovery Authority, the government body handling hurricane rebuilding in the state, has shown a commitment to green building by enlisting the aid and tapping the knowledge (and checkbooks) of nonprofit groups, foundations, and designers—all of whom are pushing for smarter development. However, the LRA isn't an effective or clear public voice when it comes to endorsing sustainability. That, coupled with its fractious relationship with the local New Orleans government, has stymied the rebuilding process—green or otherwise—in the city.

Public-housing residents are justifiably suspicious. Previous revitalization efforts in the city, such as River Garden, formerly the St. Thomas housing project, were stymied by delays. St. Thomas, originally built for about 1,500 families, was demolished in 2001, and replaced by 296 apartments to date, only 122 for low-income residents. Eventually, the total development is supposed to have some 1,100 units, but far fewer will be low-income than the old St. Thomas project.

All told, the federal Department of Housing and Urban Development is pressing forward with plans to demolish more than 4,500 units of public housing, some of it storm-damaged but arguably much of it capable of being repaired, and still



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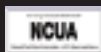
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occupied by some 1,100 families. This adds to the perception that the city elite is using the aftermath of Katrina to create a whiter city, with fewer places for the poor to live.

Given this backdrop, it can be difficult for the public to appreciate the virtues of green. "In New Orleans, there is this long history of populations getting screwed—poor, black, and public housing projects," says Jennifer Zell, who is working on a main street recovery project for the St. Claude Avenue district, a historically rich and vibrant area not far from the Lower Ninth Ward.

A SUSTAINABLE FUTURE

"Truly green buildings are more durable," says Williams of Enterprise, which is working on sustainable redevelopment in the city. "And legitimately green communities blend environmental protection and environmental justice. New Orleans has an opportunity to be a stronger city for all its residents by rebuilding green."

At the national level, former Presidents George H.W. Bush and Bill Clinton, through the Bush/Clinton Katrina Fund, have raised \$130 million for projects targeted at improving the quality of life of Gulf Coast residents and strengthening the region's economy. Rebuilding a sustainable New Orleans and Gulf Coast is a priority of the fund, which neatly squares with the goals of the Clinton Global Initiative. Organizations receive grants from the fund; \$35 million has been earmarked for projects focused on health, housing, education, community, and infrastructure needs. For example, Global Green recently received a grant to rehab schools in the Orleans School District according to LEED standards. The fund also has awarded money to the Unified New Orleans Plan and the National Housing Partnership Foundation, among others, for housing efforts.

Hurricane Katrina displaced more than 200,000 people. In American history, the opportunity to rebuild vast swaths of New Orleans compares only with the great Chicago Fire of 1871 and the San Francisco earthquake and fire of 1906—both of which were much further along in their rebuilding 18 months after tragedy struck than New Orleans is today. Congress has now approved a complex web of grants, public assistance, tax credits, and other forms of aid for Gulf Coast reconstruction for the five states, including Louisiana, affected by 2005 hurricanes. The funding is administered by several federal agencies with varying timetables, making accountability difficult even under the best of circumstances. A recent audit by the Government Accountability Office estimated that the Federal Emergency Management Agency has already lost \$1 billion to fraud alone, though as of November, FEMA said it had reclaimed \$7 million of that money.

If advocates of green and affordable rebuilding hope to realize their goals in New Orleans, they first need to secure more resources and better coordination so that low-income residents can retain some hope that their community will be rebuilt at all. **TAP**

Kellie Lunney is a reporter for National Journal in Washington.

TAKING BACK THE STATES

Massachusetts' **Deval Patrick**,
New York's **Eliot Spitzer**,
and Ohio's **Ted Strickland**
head a new crop of Democratic
governors who can renew
American progressivism.

BY EZRA KLEIN



If the states, as Louis Brandeis put it, are the laboratories of democracy, then it's only fitting that the 2006 election, which ushered in a host of eager new experimenters, fell just a week before Brandeis' 150th birthday. For the first time since 1994, Democrats now control a majority of governorships in the country—28 in all. Even as Washington faces the prospect of continuing gridlock, these new governors enter office with the potential

to spark a progressive restoration across the country—and emerge a particularly potent presidential farm team.

The action in government has been in the states for a while now. “The federal government has increasingly devolved decision-making to the governors,” says Peter Dreier, the E.P. Clapp distinguished professor of politics at Occidental College in Los Angeles. This was, in part, an ideological shift: The Gingrich Revolution trumpeted its renewed federalism, enhancing state authority over everything from welfare to Medicaid. States can't deficit spend, so handing them once-federal responsibilities under the rubric of a restored federalism promised to shrink the expansiveness, generosity, and responsiveness of government services. Federalist lipstick? Meet small-government pig.

But it's not easy being a service-slashing ideologue on the state level. “Republican governors tend to be more liberal than Republican senators and congressmen,” Dreier explains. “Governors can see the consequences of federal cutbacks and unfunded federal mandates. They see the consequences of letting cities deteriorate. They have to pay for the Medicaid patients. They have to pay for the consequences of housing cuts.”

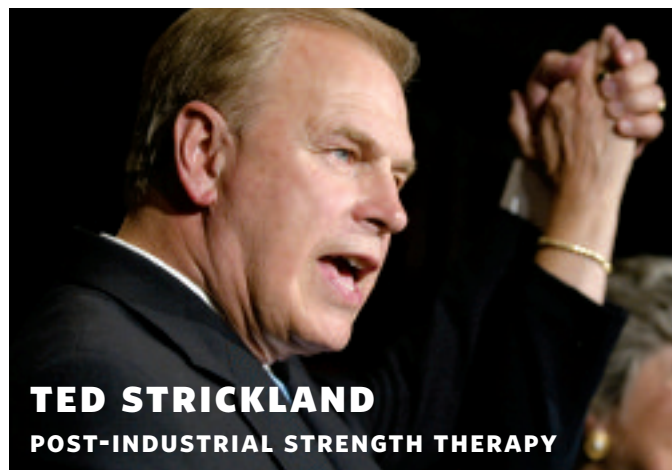
So Republican governors operate in tension with Republican congresses. They need federal appropriations to invest in infrastructure, keep their fiscal status sound, and provide popular services their party finds ideologically objectionable. As Bush's budget director, Mitch Daniels was a supply-sider so committed that Grover Norquist named him 2002's “Hero of the American taxpayer.” But after becoming governor of Indiana, he promptly broke Norquist's heart by raising taxes. Daniels, a crestfallen Norquist cried, “was closing Indiana for business!” Which is to say, he was *governing*.

Democratic executives, however, can envision a much more synergistic working relationship with the rest of their party. “With Congress now in the hands of Democrats,” says Dreier, “the Democratic governors will have willing partners in trying to help the governors solve the problems of education, housing, the environment, and so on.” Congressional Democrats, both ideologically in sync with their statehouse partners and cognizant of the political benefits their successes make possible (today's governor could be tomorrow's president), can use their control of the federal purse to further, not impede, the priorities of their gubernatorial allies.

That vastly brightens the prospects for the new crop of Democratic governors, three of whom in particular appear candidates for actually *using* their states as “laboratories of democracy.” Ohio's Ted Strickland wants to reinvent a battered economy, New York's Eliot Spitzer is determined to tame a cumbersome

bureaucracy, and Massachusetts' Deval Patrick is shaping the nation's first near-universal health-care system.

And maybe, with a dash of congressional cooperation and a bit of luck, they can actually deliver.



TED STRICKLAND
POST-INDUSTRIAL STRENGTH THERAPY

In 1942, the economist Joseph Schumpeter introduced the concept of “creative destruction,” capitalism's chaotic process of crushing established companies and replacing them with nimbler, more temporally attuned competitors. In Ohio, however, Schumpeter's logic has broken down. As the *Toledo Blade* reported, since 2000, Ohio's “businesses eliminated 216,100 manufacturing jobs, 21 percent of its base. But they hatched a mere 40,000 jobs for a net loss of 176,100.” Destruction has eclipsed the creativity.

Into this sad story strides Governor-elect Ted Strickland. A steelworker's son from one of the state's poorest counties, Strickland speaks slowly, in plodding prose peppered by “ums” and “ahs.” He evinces no fear of clichés, and is refreshingly uninterested in impressing outside reporters. In a state that voted for 25 of the 27 last presidents, decided the 2004 election, and will be critical in 2008, Strickland proved the sort of edgeless candidate who compelled political journalists to profile ... his opponent. Last July, the *New Yorker* spent 6,140 words on the Ohio gubernatorial race and the Republican nominee, Ken Blackwell. The paragraph—there's only one—focusing on Strickland begins at word 5,776. He went on to crush Blackwell by almost 25 points.

But Strickland's genial blandness obscures a fairly surprising agenda for Ohio: He wants to restore its mojo. Ohio's economic annihilation has harmed more than its economy; it's torn apart the Buckeye State's self-esteem. And for Strickland,

recovery is partly mental.

Ohio, after all, is where John D. Rockefeller's Standard Oil was based; where the founders of Firestone, Goodrich, and Goodyear tires made their discoveries and ran their factories; where the Wright Brothers labored. But what was once the engine of industrial America is now a relic of it. Ohio ranks 50 out of 51 states (including the District of Columbia) in its ability to retain educated individuals between 19 and 24 years of age. On an average day, 45 more people leave the state than move into it. Which may be why Strickland's policy platform seems as targeted to restoring Ohio's confidence as much as its economy. To the new governor, the two are inseparably linked.

"I don't think a single thing needs to be done or can be done to bring about the confidence that you rightly describe has been lost by Ohioans," he says. Instead, there are a lot of things. Almost all of them revolve around education and technology. "As a candidate," he says, "I visited what I would call some cutting-edge efforts to develop new jobs through new industries. I visited a nanotechnology facility started by a Case Western researcher"—and here his voice quickened and lifted for the first, and only, time in our interview—"another was an advanced-materials facility creating part for heavy equipment but, when you lift them, it's like lifting Styrofoam! And I was told the lighter material was stronger, more durable, more resistant to corrosion! Those are just two examples of where I think Ohio may be seeing manufacturing going, without trying to just recapture what has been."

But how do you create an Ohio defined by futuristic materi-

als rather than anachronistic industries? To pick through the detailed policy proposals released by the Strickland campaign, it's a combination of educational incentives, targeted investment in advanced industries—and self-affirmations.

"Because of the changing nature of our economy, we've got to have a continuous system of education," Strickland insists. The gateway to this educational system will be a credit-card-sized piece of paper given to every adult learner. "Because nothing opens doors in life like a quality education," his campaign literature enthuses, "a Strickland administration will issue an 'Ohio Open Door Card' to every adult learner. The card will show in one place all their learning accomplishments, while opening the door to every funding source each individual qualifies for."

It's an odd idea. Businesses, after all, can easily access an applicant's educational background, laid out in clean bullet points across their resume. This card, rather, reminds the *individual* that he or she is educated, skilled, trained in tomorrow's industries. One imagines dispirited job-seekers pulling it out in moments of doubt to bear witness to their self-worth. The next policy on the page, "AccelerateOhio," promises "a free, entry-level certificate that will certify to employers that Ohioans have the skills to get and keep a good job, and help give adult learners confidence in their ability to get a promotion, complete college or certification or move into another career track." Ted Strickland may not feel your pain, but he senses your insecurity.

Even confident, cutting-edge workers need an economy able to utilize their talents, though, lest they emigrate from the state. And Strickland's agenda includes a prominent focus on renewable energy investment—to the tune of \$250 million a year. When I asked Strickland what single policy he'd keep if forced to jettison all but one, he answered that he was unequivocally "committed to building a new energy industry in Ohio."

Ohio, however, will scarcely be alone in seeking a renewable energy sector: Such plans were a dime a dozen in 2006. But Strickland thinks his state has an edge: "I believe Ohio, because of its geographic location, resources, manufacturing history, and workforce, is particularly well-positioned to pursue clean coal technologies, wind power, significantly expanded production of alternative fuels. ... It is possible for us to realize some fairly early success in this area, and we are going to make the strongest possible effort to do that." Add in his promise to construct a broadband backbone across Ohio, and he's fulfilled, at the least, the atmospherics and priorities of a 21st-century economy.

But will it work? Reinventing the economy of a Rust Belt state is no small order, as Michigan's Democratic Governor Jennifer Granholm can attest. A recent study out of the Cleveland Federal Reserve Bank spelled out Ohio's challenge. Analyzing 75 years of comparative state data, the authors found that "the largest factor underlying relative income difference in 2004 were patents, followed by education then industry specialization." Patents, here, serve as a rough approximation of a state's technological innovation. In 1954, Ohio ranked sixth in patent generation. In 2001, it was 20th. As for college education, in 1940 Ohio ranked 27th. In 2002, Ohio was 39th.

Technology, education, and a bit of confidence in the state's innovative abilities may be just the right prescription for Ohio.

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Whether Strickland's combination of statewide self-esteem building and targeted investments will stimulate such sectors remains to be seen. But if they do, future political reporters may find him a little less gray than they thought.



No incoming governor this year will enter office with the expectations, the buzz, or the record of New York's Eliot Spitzer. *Time* has named him "Crusader of the Year." The *San Francisco Chronicle* named him "Businessperson of the Year." *The Nation* has recommended him for vice president. *The Weekly Standard* ran a cover illustration comparing him to Theodore Roosevelt. It is, assumedly, only a matter of time until *Sports Illustrated* begins gushing over his 360 dunk.

On Election Day, Spitzer outran his hype: He annihilated his hapless opponent with a stunning 69 percent of the vote. It's precisely the magnitude of his victory, however, that has caused some progressives to worry. As one longtime observer of New York politics told me, "it was never whether Eliot would win, it was how much he would win by." When Spitzer decided to shoot for 70 percent rather than 55 percent, he assented to certain tradeoffs, compromises, and constraints that could dim his luster for progressives.

Spitzer first burst on to the national scene as a hard-charging attorney general willing to rein in the excesses of capitalists-gone-wild, at a moment when the Securities and Exchange Commission had abandoned that role altogether. He made his name in an explosive suit against Merrill Lynch, whose research department had been hyping stocks in order drum up business for the firm's investment-banking division. In the aftermath of the 2000 crash, Spitzer's findings provided dispirited investors with an evil-doer. Suddenly, the roots of the economic calamity switched from bad luck to villainy, and the nation had Eliot Spitzer to thank for its catharsis and to look to for protection.

In the years since, Spitzer has sued insurers and lenders, mutual funds and power plants. He has terrified multinationals and cowed titans. New York may be just a single state, but its industries are national and its financial sector global. With no one else riding herd on the behemoths of the new economy, Spitzer's regulatory powers—and with them, his celebrity and ambition—expanded far beyond the Empire State.

While Spitzer's energetic brand of oversight may have jarred

those accustomed to do-nothing attorneys general, he protested that it was chiefly a product of the devolution of federal power amid a general slackening of regulation. Though he hadn't asked for this moment, he was damn sure going to meet it. Speaking at a panel held by the right-wing Federalist Society, Spitzer explained "there has been this tremendous redistribution of legal power away from the federal government ... [and] back to the states. Who better than state attorneys general to step into the void?"

Spitzer could have let his actions speak for themselves. But he plainly feared that his focus on corporate wrongdoing would be mistaken for "rank populism." Accordingly, he has repeatedly cast himself as capitalism's greatest defender. In March of 2004, he took to the pages of *The New Republic* to publish a full-length statement of principles. "[T]he government's proper role," he wrote, "is neither that of passive spectator nor lion tamer. The proper role of government is as market facilitator. Government should act to ensure that markets run cleanly as well as smoothly. It should prevent market failures and right them when they occur. And it should ensure that markets uphold the broad values of our culture rather than debase them. In this vision, government action is necessary for free markets to work as they are intended—in an open, competitive, and fair manner."

It has proved an attractive and durable vision, distinguishing Spitzer as the first politician with a thoughtfully progressive approach to the 21st-century economy. But as Spitzer's fame grew, his concern over his reputation heightened. His campaign for governor offered an ideal opportunity to correct the record.

The result has been an almost perfect inversion of government-versus-corporations storyline at which Spitzer has always bristled. Indeed, in a recent speech to the New York State Business Council, Spitzer sought to align himself with the forces of industry *against* the government's anti-competitive effects. "State government," he proclaimed, "has done little to alleviate and, in many ways, has contributed to the political gridlock that has prevented us from making the reforms necessary to compete in the 21st-century economy." He then went on to detail his plans for a cut in property taxes.

The speech was not a one-time aberration. "What Eliot did on Wall Street," his Web site enthused, "can also happen on State Street." His foil throughout the campaign was New York's notoriously corrupt and sclerotic state government. He foreswore tax hikes but ran on tax cuts. He promised to "focus on [the] workers' comp issue early to show business we are serious." His biographer, Brooke A. Masters, says, "I think that you'll see the crusader focused on the state government this time."

If that doesn't sound like the old Eliot Spitzer, you just weren't listening hard enough. "Government action," he wrote in *The New Republic*, "must be justified by its ability to define, catalyze, and facilitate the market's core mechanisms; to prevent it from faltering under the weight of its own imperfections; and to uphold the underlying values to which the system is, or ought to be, dedicated." An ineffective state cannot be an effective regulator. His Web site speaks of the need to "renew people's faith in government," and his plans for transparency and reform could well dent the public's perceptions of Albany's dysfunction.

Which is all well and good. The question is, will Spitzer's focus

on cleaning up government augment his economic progressivism or supplant it? A government incapable of raising new tax revenues will make little headway against the health-care crisis, the deterioration of public infrastructure, or just about anything else. And if government works smoothly but proves incapable of providing what the market can't or won't, the people may grow as restless and resentful against its weakness as they did before its sloth.



“So,” bellowed a surprisingly boisterous Michael Dukakis, “what can I tell you about my friend Deval?”

Having beaten Republican Lieutenant Governor Kerry Healey by 21 percent to become the first ever African-American governor of Massachusetts and America's second African-American governor since Reconstruction, Deval Patrick has a lot of friends these days. The charismatic Chicago native garners frequent comparisons to his hometown senator Barack Obama—a Google search for “Barack Obama” and “Deval Patrick” returns more than 34,400 results—but the similarity is more than skin-deep. Like Obama, Patrick is a soaringly eloquent politician who proved able to reach across racial, economic, and ideological lines to construct his winning coalition. His tagline was the Obama-esque, “Together, We Can,” and it is testament to his political skills that the question “Can what?” was rarely asked.

An outsider to the clubby, Irish political culture of Massachusetts, Patrick will be the first Democrat to occupy the Massachusetts governorship since Dukakis left to run for president in 1991. He enters at a moment of enormous import. When it comes to what the history books will remember, his race and office may be recorded in smaller type, beneath the implementation of a complicated law passed by his predecessor, Mitt Romney, which could make Massachusetts the catalyst for universal health care in America.

The Massachusetts Health Care Reform Law of 2006 is the first serious attempt by any state to create a coherent, near-universal health system. The plan imposes an individual mandate forcing most every Massachusetts resident to purchase coverage, but subsidizing applicants up to 300 percent of the poverty line and fining employers \$295 a year for every employee they don't cover. To help those outside of the employer-based system, it constructs a controlling authority called “The Connector” which will aggregate the buying power of small businesses and indi-

viduals, negotiate insurance costs, and generally act as public advocate for health-care consumers.

Imperfect though it may be, the Massachusetts program is the closest thing to a workable universal health-care structure any state has yet imposed, even if it's not yet been scaled up to universality (analysts assume 95-plus percent of the commonwealth will be covered). It falls to Patrick to make it work. Asked on the campaign trail what he thought of the plan, he said, “It's not the final word, but it is a step in the right direction, and it needs to be implemented brilliantly.”

Implementation remains a tough order, however. Will the Connector be able to offer comprehensive insurance at affordable prices, or will it offer bare-bones packages that don't deserve the label “coverage”? When can individuals opt out on affordability grounds? And, possibly most destabilizing of all, how will employers react? A \$295 tax for not covering their workers, Dukakis told me, “is an open invitation to employers to disinsure. Why should they pick it up if the commonwealth is willing to pay? It makes it much tougher on folks who do insure than those who don't.”

Will Patrick take on businesses if they start dropping coverage? That's not yet clear. When I ask John McDonough, head of Health Care for All and a former legislator, who was a prime force in passing the legislation, what Patrick will do, he just sighs. “Patrick ran a campaign that was appropriately vague. I have the sense that he's committed to implementing the legislation well, but whether he'll want to expend political capital tussling with the business community or changing the individual mandate? I don't think he knows, I don't think any of us know.”

Tom Glynn, recently named by Patrick to co-chair his Health Transition Team, suggested that Patrick would eschew any early tussles. “Consistently, over the last two or three months of the campaign, he was very strong in supporting the legislation, very respectful of the compromise which he called a ‘delicate balance.’” The question will come if the delicate balance proves unable to accommodate the rocky transition from law to life.

But Patrick, unlike his predecessor, doesn't shy from the government's role in enforcing universal health care, and appears unlikely to blanch before business opposition. “I see health care as a common good,” said Patrick, “like clean air, safe streets, and effective education—and so I believe that government has a role to play in assuring that the conditions exist for the health-care system we all want.”

That statement, so easy to make during a campaign, means something different now that government is no longer a depersonalized abstraction, but Patrick himself. “[Reform] is not going to happen,” he admitted during the election, “unless someone is really willing to show leadership and risk some political capital to get it done. And I am.”

That's tough talk given the sorry story of health reform in America, but Patrick has a history of succeeding where others have failed. Massachusetts is about to host a confrontation between the intractable problem and the unstoppable politician. And the rest of the country will be watching—as will his Democratic colleagues as they try to build a progressivism fit for a new century. **TAP**



Displaced Afro-Colombians on their commute to work outside Cali.

Murder & Migration

A U.S. trade deal with Colombia may just have been signed, but foreign investment projects have already cost Afro-Colombians their land and their lives.

BY DAVID BACON

DEVELOPMENT PROJECTS ANYWHERE IN THE world often have a high human cost. In Colombia, the price is often measured in human lives and blood.

Esperanza (she would risk her life, she says, if her real name appeared in print) saw her neighbors pay that price in 2001. Her house sits on the bank of the Rio Salvajina, in the Afro-Colombian municipality of Buenos Aires in Cauca province. "I saw armed men arrive in cars," she remembers, "with two, three, four, even five people tied up. They dragged them onto the bridge, shot them two or three times and threw their bodies into the river." When the paramilitaries came to her own home, she was so frightened she lost the baby she'd been carrying for five months.



Today Esperanza is a community activist organizing against the hydropower project for which her neighbors were killed. If ratified by Congress, the U.S.-Colombia Free Trade Agreement, which President Bush and Colombian President Alvaro Uribe signed in mid-November, could lead to more such projects, she fears, and more such violence. "It will permit many more development projects by multinational companies. Many more people will be displaced. And if they won't leave voluntarily, there will be more assassinations. We know this because we live with it already."

Esperanza's experience is a microcosm of the large-scale impact of corporate development in Colombia's countryside. One quarter of Colombia's nearly 43 million people are Afro-Colombian, and most live in rural areas, where resources like hydropower and gold and mineral deposits are concentrated. Far from enhancing the villagers' lives, however, these projects more commonly despoil their lands and force them to flee.

Esperanza's family was first displaced by construction of the dam on the Rio Salvajina in 1984. Along with 3,600 others, her parents and brothers were compelled to leave the valley. Behind the dam, water flooded schools, homes, churches, even cemeteries. And when the turbines started to roll, the Spanish energy conglomerate, Union Fenosa, had plenty of electricity to sell on Latin America's power market (the dam's purpose was to generate power that Union Fenosa could market to other countries).

A number of community leaders who resisted removal were killed or disappeared. "The company didn't kill people directly," Esperanza cautions. "It asked the state, through the army, to force people to leave so they could run their business."

Afro-Colombian and indigenous communities insisted that the country's Constitution, rewritten in 1991, recognize their right to their historical territories. Law 70, passed in 1993, said these communities had to be consulted and give their approval prior to any new projects planned on their land.

Having a law is one thing, however. Enforcing it is another.

By 2001, silt had begun to build up behind the Rio Salvajina dam. Power generation, and Union Fenosa's income, dropped. The company then proposed a new megaproject, to divert the Rio Ovejas from its course in the next valley into the Rio Salvajina reservoir. Knowing families couldn't survive the loss of their river, local communities refused to consent. Union Fenosa asked the government to put the project on hold.

Then right-wing paramilitaries moved in.

Because the government is under pressure to respect international human rights standards, it's not as easy to use the army to drive out people as it was 20 years ago. "They use the paramilitaries," Esperanza says. That's when she saw the bodies thrown into the river in front of her house. "Leaders began to disappear. There were massacres, not just of people living in the area, but even those who'd fled to other places. Their bodies were dumped here. And after the paramilitaries arrived and the resistance was weakened, they came back with the proposal again."

(Top) A squatter community of displaced Afro-Colombians at the edge of the coastal city of Tumaco. (Middle) Gold miners near the Rio Ovejas, whose valley may be flooded by a new dam. (Bottom) Buenos Aires, scene of a massacre by paramilitary forces in 2001.





(Top) Drawing water from the one tap that services dozens of displaced families in another squatter community near Tumaco. (Bottom) The shoreline of the reservoir behind hydroelectric dam on the Rio Salvajina.

Another megaproject is planned for the same area. Anglo American, the South African gold mining consortium, wants to pulverize a nearby mountain and extract gold from the ore. For generations, families in nearby Buenos Aires and Palo Blanco have depended on small-scale gold mining to survive. It's a hard living, however. Many women already leave their children in the care of neighbors and family to work as domestics in Cali, the closest city. "If we can't mine the gold the way we've done in the past, we won't even have that to sustain us," says Palo Blanco resident Ana Valencia (whose name also has been changed for fear of reprisals).

Large gold mines often leave behind huge mountains of tailings, and ponds filled with chemicals used to leach the metal from ore. Pollution will also make subsistence farming harder.

Power and gold sales create dividends, but the only Colombians who really benefit from them are a handful of brokers in Bogota. The Colombian government, however, like many in thrall to market-driven policies, sees foreign investment in these projects as the key to economic development, and thus revenue. It cuts the budget for public services needed by Afro-Colombian, indigenous and other poor communities. The collusion of the Colombian government with business has also made Colombia the most dangerous nation for union activists, more of whom are murdered there every year than in any other country, and in some years, than in *every* other country.

In Washington, leading members of the incoming Democratic Congress have called for stricter labor and environmental standards for proposed free trade agreements; some have labeled the agreement with Colombia a non-starter. And while a



number of prominent Democrats oppose the U.S. military aid program, Plan Colombia, which underwrites much of the Colombian military budget in the name of curtailing drug production, its fate is not so clear. What is crystal clear is that a number of leaders of rural Afro-Colombian and indigenous communities who stand in the way of such foreign investment will, like the leaders of Colombia's unions, in all probability disappear or die. And while most displaced Colombians become internal migrants in the country's growing urban slums, that migratory stream will eventually cross borders into those wealthy countries whose policies have set it into motion. **TAP**

David Bacon (<http://dbacon.igc.org>) is a California photojournalist documenting labor, globalization, and migration. His photodocumentary book on immigration, *Communities Without Borders*, was just published by Cornell University Press.

Culture & Books

"Israel's supporters would do well to interpret [Jimmy] Carter's book as a warning shot rather than an assault."

— PAGE 39



Not in Qatar Anymore? Ghida Fakhry anchors the first day of Al Jazeera's English-language channel.

MEDIA

IN ARABIC IN ENGLISH IN D.C.

Up to a point, Al Jazeera English looks like your cable news. Past that point, it doesn't. Not that you can see it, anyway.

BY TARA MCKELVEY

AL JAZEERA HAS BEEN CALLED "THE terrorist network," a "beheadings channel," and "a mouthpiece for Osama bin Laden." Yet there was Dave Marash, 64, Al Jazeera's improbable anchor, sitting at his computer in a seventh-floor corner office in its K Street location, surrounded by mementos from his work as an Emmy-award-winning *Nightline* correspondent—a William Gaddis novel on a shelf, an Eva Cassidy plaque on a wall, and a Ghanaian *akuaba* fertility doll on top of bookshelf.

It's a radical career move. Currently neither his old friends from ABC, nor any-

body else, can watch him on television in the United States. His new employer, Al Jazeera English, launched its channel on November 15 out of Washington—but only on the Web. How did his friends react when they heard the news?

"The overwhelming majority said, 'That's Marash,'" he says with a grin. Wearing a red tie and wire-rimmed glasses on a recent Friday morning, he enthusiastically described the channel's "absolutely, state-of-the-art" production quality and its "four regional news bases" in Washington, London, Kuala Lumpur, Malaysia, and Doha, Qatar, hometown of

its financial backer, Sheikh Hamad bin Khalifa al Thani, the emir of Qatar.

The goal, at least according to promotional spots, is "[t]o challenge the mainstream media." In some ways, the station has. Even without airing in the United States, it has gained radical-chic allure. In early December, cameramen from *The Daily Show with Jon Stewart* filmed a segment in the station's K Street building. Playwright Eve (*Vagina Monologues*) Ensler, wearing red-framed glasses and sitting in an empty theater, will appear in an upcoming *Aljazeera Everywoman*, a weekly magazine show. And Benetton and Diesel are described as potential advertisers, according to an April 2006 article in *Fast Company*.

"Right now Al Jazeera is the new frontier," proclaims an advertisement on the channel. Behind the hyperbolic, go-boldly language, though, is a news-gathering organization that is trying to be taken seriously. The channel broadcasts live and worldwide 16 hours a day, focusing heavily on the developing world. According to promotional material, it hopes to provide "accurate, impartial and objective news for a global audience from a grass-roots level" and to become "the channel of reference for Middle East news."

The grass-roots part is key. Al Jazeera English offers an ambitious—perhaps quixotic—approach to news, placing an emphasis on ordinary people. Marash says his hero is foreign correspondent Ryszard Kapuscinski, a Polish journalist who has spent decades writing about political issues in African and Latin American countries from the perspective of low-level bureaucrats, former servants, and nomads. "CNN doesn't go for the little man," explains Hugh Miles, a Cairo-based journalist and author of a book, *Al-Jazeera: How Arab TV News Challenged the World*. "It shows Minister A

meeting Minister B and talking about an important issue. Al Jazeera produces shows about an ambulance driver in Gaza and a gold miner in the Congo.”

BUT IS THE CHANNEL’S PERSPECTIVE new or skewed? Probably both. It is too early to judge how accurate its news coverage will be over a sustained period, yet there are clues. In many ways, its newsroom would seem familiar to any Western journalist. The staff of about 140 was hired away from CNN, NBC, CBS, and other U.S. stations, including someone from FOX News Channel, according to Washington bureau chief Will Stebbins, himself a former Associated Press Television News executive. Their workspace is bustling and chaotic. Old copies of *Busi-*

nessWeek and *The Wall Street Journal* were piled on a table the Friday afternoon that I visited, and the yellow-and-black carpet was partly held together with masking tape. The back of the room was heavy with the scent of bagels, and a producer-type, a man in sideburns and frayed jeans with Dinosaur Jr. wallpaper on his desktop, was shouting into his telephone, “You are a visionary!”

The key question, of course, is edito-

rial control. Al Jazeera executives and newscasters say they work independently of Sheikh Hamad bin Khalifa al Thani and separate from their Arabic-language counterpart. “Not only is Al Jazeera English editorially independent of Al Jazeera Arabic—although they each share the same guiding spirit—but each of the four broadcast centers of Al Jazeera English retains editorial independence over its own content, allowing each center to present the news as seen from its particular position in the world,” explained Stebbins.

It’s true that under Sheikh Hamad, the press censorship law in Qatar has been eased. “The Doha-based al-Jazeera satellite channel is acknowledged as the freest television station in the Middle East,” according to a December 1 country briefing from the Economist Intelligence Unit. Still, it’s hard to believe Al Jazeera English is as clean as its executives claim. Sheikh Hamad is openly critical of the West, sharply attacking it “for boycotting the Hamas government,” and adding “that Palestinians are being punished for practicing democracy.” But the extent of his influence is elusive. As Brendan Bern-

hard wrote in a November *New York Sun* article, “It would take a George Smiley to figure out what the Emir of Qatar’s game is, but it’s surely a double, triple, or even quadruple one.”

Yet Al Jazeera English doesn’t seem to show obvious bias: The United States and Israel are treated like any other country in the news segments and are not referred to as evil empires—despite what the channel’s detractors may think. There is, not surprisingly, a significant amount of coverage devoted to Iraq, in stories that don’t seem to show any more sympathy for the Sunni or the Shia perspective. Instead, they show compassion for the “Iraqi people.”

Most of the anchoring is done in Doha. Between news segments about malaria in Ethiopia, a new prison wing at Guantanamo Bay, and the Iraq Study Group, you are invariably taken back to the Doha mother ship—an enormous, two-story, *Matrix*-fantasy newsroom with rows of desktops bathed in shades of rich, cornflower blue. Among the Al Jazeera English 24 newscasters, 12 are stationed in Doha, according to the company, and the ratio of news coverage among the four regional centers shows Doha clearly in the lead. Even the most casual viewer gets the message: Doha is the center of the world.

Critics, including the Bush administration, have claimed that Al Jazeera has ties to terrorists, but Al Jazeera English staff say that is simply wrong. “Al Jazeera has a functioning relationship with al-Qaeda and insurgent groups in Iraq. But it doesn’t mean they have any ideological sympathy for these political groups,” says writer Miles. “The Pentagon and the State Department have invested a lot of resources trying to show Al Jazeera is a terrorist channel, or funded by terrorists, but they haven’t been able to do it for the simple reason it’s not.”

Of course, Al Jazeera shows its dis-

tingitive character as well. When there’s fashion, it’s about the *hijab* (featuring Yasmin Safri, “catwalk designer of Islamic fashionwear”). Among the early investigative airings are “Triangle of Anger,” a journalist-produced documentary about extraordinary rendition, and “Prisoner 345,” another documentary, about an Al Jazeera cameraman, Sami al-Hajj, who was arrested on the Afghan-Pakistani border in December 2001 and later imprisoned at Guantanamo Bay. One recent news segment depicts the lives of Iraqi children, who play with a battery-operated toy vehicle in the street—and watch it collapse in flames after the explosion of a miniature explosive in the front hood.

To date, no U.S. satellite or cable company has picked the channel up. Al Jazeera English spokeswoman Lindsey Oliver explained that “it is hard for any new broadcast organization to get carriage, particularly on satellite and cable, because of the limited space they offer for new programming.” Still, it’s

Al Jazeera is on television in Britain, France and Germany, but not the United States. Tony Blair appeared on it five days after its launch.

not easy being associated with the network that features personalities like Yusuf Al-Qaradawi, an Islamic leader who has supported suicide bombings, and others who express strong anti-U.S. sentiments. "Cable carriers are afraid of the P.R. hit they will take for being the first media conglomerate to pick up on what most Americans believe is a terrorist wire service," says Matthew T. Felling, media director of the Washington-based Center for Media and Public Affairs, a nonpartisan organization that studies the news media.

People in other countries have given a warmer reception to Al Jazeera English. More than 80 million households, in the United Kingdom, France, Germany, and other countries around the world, can tune into the channel on television. British Prime Minister Tony Blair appeared on one of its programs on November 20, five days after its launch. Perhaps not surprisingly, there hasn't been any response from the White House. "No flowers," says the program's Washington bureau chief Stebbins. "Must be stuck in the mail." **TAP**

BOOKS

THE OTHER WAR

THE PUNISHMENT OF VIRTUE: INSIDE AFGHANISTAN AFTER THE TALIBAN

BY SARAH CHAYES Penguin Press, 386 pages, \$25.95

BY ANATOL LIEVEN

DEFEAT IN IRAQ WILL BE BAD, but defeat in Afghanistan would be a catastrophe. If U.S. and NATO troops eventually leave and the Taliban return to power, it would mark the utter failure of American strategy in the country where the "war on terror" all began.

Outright defeat in Afghanistan still seems a long way off. But as Sarah Chayes' beautifully written, highly illuminating memoir makes clear, Afghanistan is at best "drifting sideways." Hamid Karzai remains little more than the mayor of Kabul, most of his government institutions are mere facades for looting, and the Taliban are gaining wider control of the Pashtun areas of the South and East.

In October, the British army negotiated an agreement with local tribal leaders in northern Helmand province whereby the British withdrew from a district in return for a promise that the tribes themselves would control the Taliban—exactly the deal that the Pakistani government struck with Pashtun tribes in Waziristan during the summer, and for which it has been strongly criticized in the Western media. And the heroin trade continues to flourish. At this rate, given the Taliban's strength and the Afghan

state's weakness, NATO may need to stay and fight in the country for decades to come. It is unclear whether the U.S. and British electorates will have the stomach to persevere; it seems quite certain that our European allies will not.

To fail Afghanistan in this way would be not only a defeat but also a disgrace. It would mean that in effect the United States had abandoned Afghanistan twice. The first time was after 1989, when following the Soviet withdrawal, Washington lost all interest in Afghanistan, and made no attempt to prevent U.S.-armed Mujahedin from tearing the country apart. During the overthrow of the Taliban in 2001, American officials and politicians vowed repeatedly that this would not happen again, and that the United States would help turn Afghanistan into a "beachhead of democracy and progress in the Muslim world," in the words of one U.S. senator with whom I spoke at that time. In fact, the betrayal of Afghanistan had begun even as she spoke, when early in 2002 the Bush administration started to pull special-operations troops out of Afghanistan in order to prepare them for the planned war in Iraq—thereby allowing much of the Taliban and al-Qaeda to escape to Pakistan.

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Foot Patrols: An American soldier with an Afghan boy outside Kabul in 2003; George W. Bush with Hamid Karzai and Pervez Musharraf at the White House in 2006.

An even more damaging failure has been that of international development aid, which remains both vastly lower per capita and vastly less effective than in other countries where the international community has intervened. As Chayes makes clear, it is the West's immensely cumbersome, bureaucratic, corrupt, and state-directed development aid system that has been largely responsible for the failure.

Chayes describes her efforts to procure money for a handful of village wells and her gruesome encounters with U.S. officials who demanded the filling out of dozens of pages of forms, only to be rotated out after a matter of weeks and replaced by a completely unprepared successor, who had to begin everything from scratch—only to be rotated out in turn as soon as he had begun to learn something about his work. She recounts what by now should be bitterly familiar stories of enormous sums siphoned off by Western analysts on bloated contracts while little or nothing reaches the people in need.

A key problem seems to be that Western development aid agencies—as opposed to those dealing with humanitarian aid—are geared to working with at least minimally functioning states. Where, as

in Afghanistan, no real state exists across most of the country, they find themselves paralyzed. In these circumstances, as a former U.S. Special Forces officer told me, it would be better to train a small military cadre in development and send them out to villages with money to give to the local population to hire their own workers for specific local projects that can be managed by ancient local skills—like restoring the underground irrigation channels (*karez*). This has begun to some extent with the “provincial reconstruction teams,” but their work remains limited. Furthermore, this money needs to be spent with an eye to the political-military situation, on projects that the Taliban cannot blow up—at least, not without making themselves extremely unpopular with the local population, which is a tactical gain in itself.

Chayes has continuous experience of Afghanistan since the overthrow of the Taliban. She first went there as a reporter for National Public Radio in the fall of 2001, as the Taliban regime crumbled. She headed in from the Pakistani city of Quetta to the Taliban's southern stronghold of Kandahar, a city with which she

has been associated ever since. She developed a deep personal commitment to Kandahar and Afghanistan in general, and when her assignment ended in 2002, she took over the running of a development organization founded by Karzai's brother. This connection gave her (for a non-official Westerner) unique access to the heart of the Karzai administration in both Kabul and Kandahar.

In vivid prose and with great humor and empathy, Chayes describes her experiences first as a journalist and then as a development worker. The cheerfulness and determination of her character

make *The Punishment of Virtue* an inspiring book, but the tale she tells is not cheery. With biting detail, she delineates the failings of the Western approach, beginning with the media's combination of ignorance, hysteria, slavish following of official U.S. leads, and perhaps worst of

all, overblown talk of Afghan progress with basic indifference to the views of ordinary Afghans or the fate of their country.

Chayes traces the problems of post-Taliban Afghanistan back to the U.S. decision to overthrow the Taliban quickly with the help of their Northern Alliance enemies, rather than waiting to create a broader coalition including fewer warlords and more Pashtuns. She paints a detailed picture of how this worked out on the ground in Kandahar, with utterly discredited figures from the period of Mujahedin rule in 1992-1996 brought back to power, to the dismay of the local population.

I have only two criticisms of Chayes' magnificent book. The first is that I rather doubt that her principal local hero, the assassinated Commander Muhammad Akrem Khakrezwai, was quite as good as she makes out, or her principal local villain, Gul Agha Shirzai, was quite as bad—at least by the not very elevated standards of Afghan commanders and politicians.



The second is that to judge by my own experiences, she underplays the role of Pashtun ethnic sentiment (in both Afghanistan and Pakistan) in producing support for the Taliban, and exaggerates the role of the Pakistani state. After all, the Pakistani forces have lost considerably more men fighting the Taliban and al-Qaeda in the Pashtun frontier areas of Pakistan than have the U.S. and NATO forces in Afghanistan. Blaming Pakistan for the strength of the Taliban is one way for Western commanders to escape responsibility for their own errors, and for the Karzai administration to divert attention from its own weakness, and from the strength of popular support for the Taliban among the Pashtuns. Pakistan is undoubtedly playing a game with the Taliban that involves diplomacy as well as military pressure. But then, that is a

game that the British Empire played in this region for 100 years and that the British—and Americans—may have to learn to play again.

On these issues, Chayes may have “gotten too close to the story,” as journalists say. But then, getting close to the story in Afghanistan is what her whole book, and life since 2001, has been all about. Her close sympathy for her struggling Afghan hosts is what marks her out from so many Westerners who hop in and out of that country, and what gives her book its power, insight, and charm. **TAP**

Anatol Lieven is a senior research fellow at the New America Foundation in Washington, D.C. His latest book, co-authored with John Hulsman, is Ethical Realism: A Vision for America's Role in the World (Pantheon).

BOOKS

INDICTMENT OR CHALLENGE?

PALESTINE: PEACE NOT APARTHEID BY JIMMY CARTER

Simon & Schuster, 264 pages, \$27.00

BY SASHA POLAKOW-SURANSKY

BEFORE IT WAS EVEN RELEASED on November 14, Jimmy Carter's new book, *Palestine: Peace Not Apartheid*, caused an uproar. The implied analogy in the title between contemporary Israel and the old South Africa drew a chorus of denunciations from Jewish groups and inspired rumors that publication was delayed until after the midterm elections, lest the book alienate Jewish Democrats and send them voting for Republicans in droves.

Israel's supporters despise comparisons to South Africa, but they would do well to interpret Carter's book as a warning shot rather than an assault. Many Israeli leaders themselves recognize that continued occupation of the West Bank, coupled with demographic shifts, may soon place them in the unenviable position of defending minority rule over a disenfranchised majority.

Although most of Carter's book is uncontroversial, the former president ultimately

places most of the blame for the continued conflict on Israel. He devotes close to 200 pages recounting his personal impressions of the Middle East and its leaders, chronicling his role as a peacemaker at Camp David in 1978, and briefly describing the efforts of his successors. Carter's primary grievance is that the Camp David accords that he so painstakingly negotiated have largely been ignored beyond the Egyptian-Israeli peace settlement they brought about. Camp David, Carter reminds us, offered a framework for peace that included “full autonomy” for the inhabitants of the West Bank and Gaza—a condition that 28 years later has yet to emerge. “Israel's continued control and colonization of Palestinian land,” he concludes, “have been the primary obstacles to a comprehensive peace agreement in the Holy Land.”

Only in the book's final pages does Carter draw an explicit comparison between contemporary Israel and apartheid

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South Africa, and then he is careful to note that “the driving purpose for the forced separation of the two peoples” in Israel is “not racism but the acquisition of land.” He insists, nevertheless, that Palestinians are “living as prisoners within the small portion of land left to them” and calls this condition a “system of apartheid, with two peoples occupying the same land but completely separated from each other, with Israelis totally dominant and suppressing violence by depriving Palestinians of their basic human rights.”

Is the term “apartheid” apt? The word itself means “apartness” in Dutch and Afrikaans. Apartheid was the political platform that brought the Afrikaner-led National Party to power in South Africa in 1948, and by the early 1960s it had become official state policy in every sphere of life. The anti-Israel left has used the term for years to connote racism in the hope that the boycotts and divestment pioneered by the anti-apartheid movement in the 1980s will be revived and applied to Israel. Carter’s book lends credibility to an analogy that was until now seen by many as the propaganda of a radical fringe.

But apartheid was not simply racism, segregation, and colonial land theft. It was an extraordinarily intricate system designed to control the movement and labor of blacks and strip them of South African citizenship by removing them to “homelands” where they would be granted nominal but meaningless independence.

In today’s Israel, Carter sees ominously similar developments. He decries the massive concrete wall that Israel has built along and beyond the West Bank border as an “imprisonment wall” and “segregation barrier,” which he believes is designed not to enhance Israel’s security but to annex territory. While Carter concedes Israel’s right to build a security barrier within its own territory, he insists that the wall and the Jewish-only access roads built to service the Jewish settlements deep within Palestinian territory are cut-

ting up the future Palestine into noncontiguous enclaves that will never be viable as a state. Carter deplores the unequal resource allocation between West Bank settlers and Palestinians, in towns such as Qalqilya, which has been completely encircled by the wall and cut off from much of its farmland and water supply. He goes on to denounce the bulldozing of Palestinian homes as a form of collective punishment and municipal expansion. Finally, Carter criticizes the elaborate system of military checkpoints that allow Israel to control the internal movement of



Perilous Analogy: Carter’s book has set off a firestorm.

Palestinians within the West Bank by checking identification and to deny them access to East Jerusalem, which Palestinians see as their capital. The 20-mile journey from Ramallah to Jerusalem can take a whole day due to lines at these checkpoints.

Though Carter does not explicitly draw the analogy between these practices and apartheid South Africa, there are striking similarities. The South African bantustans comprised swaths of noncontiguous land allotted by the government and maintained by leaders held on a tight leash by Pretoria. The state routinely bulldozed black neighborhoods to make room for whites, and the result of these “forced removals” was the growth of destitute urban townships far from the city centers. The police, through a regime of pass laws and “influx control,” controlled

blacks wishing to enter “white areas.” If they lacked the proper permit, blacks were sent back to the bantustans.

Despite these parallels, “apartheid” remains a problematic analogy. Among other things, apartheid crumbled because white South Africans didn’t make their own beds and couldn’t cook their own dinner. As Hannah Arendt marvelled in *The Origins of Totalitarianism*, South Africa was a society premised on white laziness and the exploitation of cheap black labor. Apartheid allowed a minority white population to live in ostentatious luxury with swimming pools, servants, and gardeners amid millions of blacks in abject poverty. Even if one dismisses the Zionist myth that Jews “made the desert bloom,” there is no doubt that modern Israel was built by industrious settlers and not labor exploitation.

The expropriation of Palestinian land after Israeli independence in 1948 and especially after 1967 has been likened to a colonial enterprise, but it was never accompanied by systemic dependency on native labor as in South Africa. On the contrary, Zionists of all persuasions stressed the need for Jewish labor rather than reliance on Arabs. In the 1980s, a more pampered Israel began to import Palestinian labor to do its dirty work. But today, after two *intifadas*, the people cleaning the gutters in Tel Aviv are more likely to be Thai and Ghanaian guest workers than West Bank Palestinians.

While the apartheid analogy is inexact, the Palestinian population is expanding faster than the Jewish population and Israel will soon face a choice between an apartheid-style social order in which a Jewish minority rules over several million disenfranchised Palestinians in the West Bank and Gaza or a two-state solution in which those Palestinians live independently outside Israeli control. Indeed, it was precisely this dilemma that prompted Ariel Sharon and Ehud Olmert to break with Likud Party orthodoxy and promote disengagement from Gaza in

2005. Often referred to as “the demographic threat” by Israelis, this impending population parity is seen as a mortal danger to the cornerstone of Zionism: a Jewish majority in a Jewish state.

On the eve of the Gaza disengagement in August 2005, the Jewish population between the Jordan River and the Mediterranean Sea dropped to below 50 percent for the first time since Israel became a state in 1948. As orange-clad settlers flooded Tel Aviv’s streets to protest Sharon’s decision, *Ha’aretz* noted that disengagement from Gaza would raise the proportion of Jews in territories under Israeli control to 56.8 percent and ensure a Jewish majority “for the next 20 years.”

This gives Israel time, as Carter notes, to “carve out for itself the choice portions of the West Bank, leaving Palestinians

destitute within a small and fragmented remnant of their own land.” Alternatively, Israelis can withdraw from the West Bank and create a viable, contiguous Palestinian state. But if they do not, it is only a matter of time until the Jewish population of Israel, *sans* Gaza, again drops below 50 percent. When that time comes, Israel may well find itself incontrovertibly branded with the apartheid label. This is one of the profound challenges facing Israel: Can it avoid becoming, even in its own eyes, what its critics say it already is—a morally unacceptable system of domination? **TAP**

Sasha Polakow-Suransky is completing his doctoral dissertation on the history of Israeli-South African relations at Oxford.

BOOKS

BACK TO CLASS

THE CHILDREN IN ROOM E4: AMERICAN EDUCATION ON TRIAL

BY SUSAN EATON Algonquin Books of Chapel Hill, 357 pages, \$24.95

THE SHAME OF THE NATION: THE RESTORATION OF APARTHEID

SCHOOLING IN AMERICA BY JONATHAN KOZOL Crown, 404 pages, \$25.00

THE CHARTER SCHOOL DUST-UP: EXAMINING THE EVIDENCE ON ENROLLMENT AND ACHIEVEMENT

BY MARTIN CARNOY, REBECCA JACOBSEN, LAWRENCE MISHLE, AND RICHARD ROTHSTEIN
Economic Policy Institute/Teachers College Press, 186 pages, \$16.95

THE KNOWLEDGE DEFICIT: CLOSING THE SHOCKING EDUCATION GAP FOR AMERICAN CHILDREN

BY E.D. HIRSCH, JR. Houghton Mifflin, 169 pages, \$22.00

BY RICHARD D. KAHLENBERG

THIS YEAR THE U.S. SUPREME COURT will rule in high-profile cases challenging voluntary racial school integration programs in Seattle and Louisville. The Court may very well ban or restrict these programs, which would be unfortunate. But such a decision could also spur liberals to new thinking on integration and education reform that could be very productive.

Ever since the wars over compulsory busing in Boston and other cities in the 1970s, school integration has been dismissed as politically toxic. “Desegregation’s not a part of the agenda anymore,” Congressman John Lewis of Georgia tells

author Jonathan Kozol in *The Shame of the Nation*. In fact, schools have been re-segregating, but there’s no public outcry. Until his most recent volume, Kozol himself could be accused of neglecting the issue. His books from *Savage Inequalities* to *Ordinary Resurrections* argued not so much for integration as for equalizing school expenditures.

But while compulsory busing is a non-starter, there is something of a social science consensus that integration, particularly by socioeconomic status, matters a great deal to a child’s education. As Kozol himself notes, research finds that integration matters even more

than equalized school spending. In a much-discussed study 40 years ago, the sociologist James S. Coleman found that the single most powerful predictor of academic achievement is the socioeconomic status of a child’s family, and the second most important predictor is the socioeconomic status of the school a student attends. High-poverty schools—even those with equal funding—are marked, on average, by unhealthy peer pressures, unruly environments, low levels of parental involvement, weak teachers, and low expectations. Being born poor is one strike against a child; attending school where everyone else is poor is a second strike.

Coleman’s finding about the centrality of a school’s socioeconomic makeup—replicated in dozens of subsequent studies—helps explain why an array of education reforms have proven unsuccessful. Take charter schools, which first opened in the early 1990s and now educate more than 1 million students in more than 3,500 schools. In theory, because charter schools are chosen by families, they need not reflect neighborhood segregation and could draw together student bodies that are economically and racially diverse. But integration usually occurs only when consciously planned, and charter schools seem to be at least as segregated as regular public schools. The results are not surprising. According to Martin Carnoy and his colleagues in *The Charter School Dust-Up*, students in charter schools do not on average learn more than students in regular public schools, and often learn less. The theory of charter schools—that a change in governance, particularly one that weakens the power of teacher unions, would produce large gains—is not borne out by the evidence, they say.

An August 2006 U.S. Department of Education study largely confirms these findings. The report, which analyzes fourth-grade math and reading scores, found that students in charter schools scored lower in both areas than students in regular public schools, even after controlling for various student characteristics, such as race and socioeconomic status.

In his slender new volume, *The Knowl-*

edge Deficit, E.D. Hirsch Jr. is also concerned with making “separate but equal” schools work better. Hirsch, the best-selling author of *Cultural Literacy* (1987), argues that political progressives should be educational conservatives because a uniform curriculum would better serve the interests of equality and social mobility, whereas the current opposition to a prescribed curriculum among educators who want to allow for the individuality of students and teachers actually leads to widening inequalities. This is the lesson Hirsch finds from data comparing education in the United States with education abroad: Countries with national curricula see the gap between rich and poor and between majority and minority students decline over time, while the disparity in the United States widens the longer students stay in school. One study finds that when American students are compared on standardized tests, the grade of “A” in schools with low-income students is equivalent to the grade of “C” in middle-class schools.

Hirsch persuasively argues that a common curriculum emphasizing what a student needs to know to do well in mainstream society is essential for the goals of social mobility and social cohesion. In this connection he cites 19th-century educator Horace Mann’s view that a “common curriculum” is a prerequisite for equal opportunity and national solidarity. But Hirsch fails to note that Mann favored not just a common curriculum but a “common school,” in which children of all backgrounds learn together under one roof. Equalizing access to a rich curriculum is important, but so is access to the other ingredients of good schooling—active parents, supportive peers, and great teachers.

Of course, the reason that most educators—from Hirsch to advocates of charter schools—ignore Mann’s call for schools educating diverse populations is the widespread belief that there is no political will to promote integration by either race or class. But in *The Shame of*

the Nation, Kozol correctly challenges this received wisdom. School districts have learned a great deal about how to achieve integration since the days of compulsory busing, which triggered white middle-class flight. Programs of public school choice today allow students trapped in bad high-poverty schools to attend better performing middle-class public schools, while attractive magnet

ban children wishing to attend city magnet schools (often located in tough neighborhoods) because at the end of the bus ride sits a special program such as a Montessori school.

The Hartford integration program, as author Susan Eaton details in her fascinating new book, *The Children in Room E4*, highlights the role of state courts as a new source of support for integration.

For years, the federal courts were the engine for fairness and integration in the schools. But that came to a halt in the 1970s, when Nixon appointees ruled that there was no right to equality of education funding (*San Antonio v. Rodriguez*), and that city desegregation plans would normally exempt the suburbs (*Milliken v. Bradley*). The decision in *Milliken* was particularly devastating because it meant that in places such as Boston, desegregation plans would bus poor whites and poor blacks without touching more affluent white suburbanites. The social science evidence, however, suggests that socioeconomic status is critical: Blacks don’t do better sitting next to whites; poor kids do better in middle-class environments. *Milliken*, therefore, severely undercut the achievement benefits of desegregation.

As Eaton notes, after the *Rodriguez* decision on school funding, action moved to the state courts, which over the last several decades

have found an affirmative right to an “equal” or “adequate” education in state constitutions. Connecticut was one of those states, but educational opportunity continued to lag despite the ruling. “Equal funding for schools,” Eaton notes, “hasn’t alone proven sufficient.” This was especially true in Hartford, which Eaton describes as “the poorest city in the wealthiest state in the richest country on earth.” Standards and expectations were far lower in Hartford than in middle-class communities. One black parent proudly rejected the idea that her children needed to go to the suburbs to get a good education until she discovered that a remedial fifth-grade class in suburban South Wind-



Bringing Up Hartford: Political leaders demand more integration.

offerings draw suburban students voluntarily into city schools.

Although much ink has been spilled on Milwaukee’s ill-fated private school voucher program, Kozol notes that the city also has a long-standing program in which 4,200 Milwaukee students are able to attend schools in 22 suburban districts. An even larger public school choice program allows some 10,000 students in St. Louis to attend good suburban schools. Graduation rates of students in both programs, Kozol notes, are far higher than those of students who stay in the city. In Hartford, meanwhile, there are long waiting lists for urban students wanting to attend suburban schools and for subur-

sor used the same text book as the regular ninth-grade class in Hartford.

Eaton's book tells the story of a band of dedicated lawyers led by NAACP Legal Defense Fund attorney Jack Boger, now the dean of the University of North Carolina Law School, to "find a way around *Milliken*, not merely for kids in Connecticut, but for the entire country." In 1989, Boger and his colleagues filed a lawsuit, known as *Sheff v. O'Neill*, arguing that the Connecticut constitution's affirmative provision that all children should be provided a "substantially equal education" meant the right not only to receive equal funding but also to attend racially and economically integrated schools—whether or not the state was itself responsible for segregation, and whether or not students lived in the city or suburbs.

In 1996, the Connecticut Supreme Court handed the plaintiffs a stunning victory, saying that de facto segregation was a violation of the Connecticut constitution and that a remedy for Hartford's segregation must involve the suburbs. The

decision appeared, says Eaton, to be "the new *Brown*." As with *Brown*, however, elation gave way to halting efforts and broken promises by the state. Ten years later, while thousands of school children are benefiting from an urban-suburban public school choice program devised to comply with *Sheff*, more than 70 percent of Hartford students still attend racially and economically segregated schools, and thousands of students are on waiting lists for spaces in integrated schools.

About half of Eaton's well-crafted book is dedicated to what life is like for students in one segregated Hartford school, Simpson-Waverly Elementary, particularly the third-grade class in room E4, led by a heroic teacher, Lois Luddy. The usually heartening stories in educational journalism of this kind come with the subtext that we could make segregated schools work if we only had more truly dedicated teachers. But Eaton turns this familiar script on its head. While Luddy does a wonderful job with her students, she is also a strong supporter of the *Sheff* litigation. "Everyone separate? It's not

working," Luddy says.

The U.S. Supreme Court may be about to make the goal of integration even more difficult, as there appear to be five votes to strike down the use of race in student assignment. Such a ruling should be not an excuse for giving up on integration but rather an incentive to address inequality at an even deeper level. Today, about 40 school districts integrate student bodies by socioeconomic status, which even Justice Clarence Thomas would allow. Our society has tried making separate but equal work for many years now, to little avail. As these books suggest, directly or indirectly, perhaps it is time to try something different. **TAP**

Richard D. Kahlenberg, a senior fellow at The Century Foundation, and a nonresident senior fellow at Education Sector, is author of All Together Now: Creating Middle Class Schools through Public School Choice (Brookings Institution Press, 2001). He is writing a biography of teacher union leader Albert Shanker.

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How to Create Populists

BY ROBERT B. REICH

SEVERAL YEARS AGO I HAD A PHILOSOPHICAL CON-
 versation with my good friend and Cabinet colleague
 Bob Rubin over lunch in the White House mess.
 Cabinet members rarely talk philosophy. There isn't time.
 Mostly, they talk about how to put out the next fire. But

on this rare occasion, Bob and I found ourselves talking philosophically.

It started as a discussion of a particular policy then being debated inside the Clinton White House but then became more theoretical. It came down to two simple questions. Suppose a proposed policy will increase the incomes of some people without decreasing the incomes of any others. Should it be implemented? Bob and I agreed it should. But suppose the people whose incomes will rise are already wealthier than everyone else. Although no one will lose ground, inequality will widen. Should it still be implemented? I won't tell you where he and I came out on that second question. But we agreed that people who don't share in such gains *feel* relatively poorer. Widening inequality also further tips the balance of political power in favor of the wealthy.

That conversation occurred a decade ago. Inequality is far more worrisome now. The incomes of the bottom 90 percent of Americans have increased about 2 percent in real terms since then, while incomes of the top 1 percent have increased more than 50 percent.

The philosophical issue Bob Rubin and I discussed is coming up all the time these days, and it helps explain the new economic populism. Consider, for example, the Bush tax cuts. As we know, they've mainly benefited the top 20 percent of taxpayers. Supply-siders argue the cuts have generated enough extra revenues to pay for themselves so they

haven't enlarged the budget deficit. That's debatable, but let's assume the supply-siders are correct and no one has been made worse off. Yet most Americans have not benefited—nothing has trickled down. Real median wages have barely budged since the cuts were enacted. So the underlying question is whether they're justified by the fact that rich Americans have gained from them while no one has lost ground. The answer is clearly no. They've widened inequality.

Or consider trade-opening agreements. They give Americans access to more low-cost products and services from abroad. This makes Americans' dollars go further. But the agreements especially benefit the rich, who spend more than the middle class and the poor because they have more income to spend. The agreements also typically impose a burden on working-class Americans who thereby lose their jobs to foreigners. These job losers get new jobs, but studies show the new jobs pay 10 to 15 percent less than the old ones. Even if you assume that access to cheaper goods from abroad adds about 10 percent to 15 percent to their purchasing power, these working-class wage earners come out about even, at best. That means the overall result of

most trade agreements is to widen inequality. Do the efficiency benefits of trade outweigh this result? Maybe a decade ago when inequality was less pronounced. Probably not now.

Immigration raises the same underlying issue. Low-skilled immigrants reduce the cost of all sorts of services—from gardening to elder care. This stretches the dollars of every American but also depresses the wages of many low-wage American workers who have to compete with the new arrivals. Even assuming their increased purchasing power more than cancels out their wage losses, low-wage Americans don't gain nearly as much from immigration as higher-wage Americans do. The result is widening inequality among native-born Americans. Do the lower labor costs make up for this widening inequality? Unlikely, unless you include the new immigrants into the calculus. After all, once they've come here they're usually much better off economically than before they arrived.

If all these policies promoted economic growth *and* if all Americans had an equal chance to benefit from the growth, the case for them would be stronger. But relatively poorer Americans are less up-

wardly mobile today than they were a decade ago. To equalize opportunity, all Americans would need access to far better schools, to early childhood education and affordable post-secondary education. We need more affordable health care and far more progressive taxes on both income and wealth. Those who lose

their jobs should have access to wage insurance that eases the burden of transferring to new, lower-paying jobs.

As inequalities of income and wealth continue to widen, the social cost of adding to them will continue to grow. Even if you are not an economic populist now, if present trends continue, eventually you will be—including my good friend, Bob. **TAP**

*Our tax, trade,
and immigration
policies all
increase our
widening
inequality.*